



Cabinet

Date: Thursday, 20 December 2012

Time: 5.30 pm

Venue: Committee Room 1 - Wallasey Town Hall

Contact Officer: Andrew Mossop

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AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members of the Cabinet are asked to consider whether they have any disclosable pecuniary or non pecuniary interests in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

2. MINUTES

The minutes of the last meeting have been printed and published. Any matters called in will be reported at the meeting.

RECOMMENDATION: That the minutes be approved and adopted.

FINANCE

3. BUDGET 2013/16 - INITIAL PROPOSALS (Pages 1 - 10)

The minutes of the five Special Overview and Scrutiny Committees, at which the Budget Options were considered, will follow.

4. SENIOR MANAGEMENT RESTRUCTURE (Pages 11 - 36)

5. REVENUE MONITORING 2012/13 - MONTH 7 (OCTOBER) (Pages 37 - 64)

6. CAPITAL MONITORING 2012/13 - MONTH 7 (OCTOBER) (Pages 65 - 82)

7. **CHANCELLOR OF THE EXCHEQUER - AUTUMN STATEMENT (Pages 83 - 94)**

8. **DELEGATION ON EMPLOYMENT ISSUES (Pages 95 - 104)**

ADULT SOCIAL CARE AND PUBLIC HEALTH

9. **FEES FOR RESIDENTIAL AND NURSING HOME CARE - RESPONSE TO CONSULTATION (Pages 105 - 126)**

CHILDREN'S SERVICES AND LIFELONG LEARNING

10. **WASP SERVICE TO SCHOOL TRANSFER (Pages 127 - 142)**

HOUSING AND COMMUNITY SAFETY

11. **APPROVAL OF TENANCY STRATEGY FOR WIRRAL (Pages 143 - 160)**

CORPORATE RESOURCES

12. **PROPOSAL TO CHANGE THE COUNCIL'S DISCRETIONARY SEVERANCE SCHEME (Pages 161 - 226)**

13. **LEASOWE MILLENNIUM CENTRE (Pages 227 - 238)**

REGENERATION AND PLANNING STRATEGY

14. **NEW BRIGHTON - ENVIRONMENTAL IMPROVEMENT SCHEME (Pages 239 - 250)**

15. **LOCAL DEVELOPMENT FRAMEWORK - ANNUAL MONITORING REPORTS (Pages 251 - 262)**

16. **COMMITTEE REFERRAL - TRADE CENTRE SCRUTINY REVIEW (Pages 263 - 296)**

The Trade Centre Scrutiny Review has been referred to Cabinet by the Economy and Regeneration Overview and Scrutiny Committee.

Attached are the minute, report and Scrutiny Review.

17. **COMMITTEE REFERRAL - ADOPTION OF THE OXTON CONSERVATION AREA MANAGEMENT PLAN (Pages 297 - 324)**

The Cabinet is requested to approve the adoption of the Oxtton Conservation Area Management Plan.

Attached are the Planning Committee minute, report and Management Plan.

18. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)

To consider any other business that the Chair accepts as being urgent.

19. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

The following items contain exempt information.

RECOMMENDATION: That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

20. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 2)

To consider any other business that the Chair accepts as being urgent.

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WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|-------------------------------------|---|
| SUBJECT | BUDGET 2013/16 – INITIAL PROPOSALS |
| WARD/S AFFECTED | ALL |
| REPORT OF | INTERIM DIRECTOR OF FINANCE |
| RESPONSIBLE PORTFOLIO HOLDER | COUNCILLOR PHIL DAVIES |
| KEY DECISION | YES |

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides the latest Budget Projections for 2013/16.
- 1.2 It is proposed that a special Council meeting be convened before the end of January 2013 to approve the Council Tax Base and Business Rates Tax Base for 2013/14 as they have to be agreed by 31 January 2013.
- 1.3 Budget Cabinet is scheduled for 18 February 2013 with Budget Council scheduled for 5 March 2013. The Council has to agree a Budget and set the level of council tax for 2013/14 by 10 March 2013.

2.0 BACKGROUND AND KEY ISSUES

BUDGET PROJECTIONS

- 2.1 The Budget Projections were last formally reported to Cabinet on 19 July 2012 when the projected spend and resources highlighted a budget gap of £63 million for 2013/15.
- 2.2 The Projections have been updated to include for demographic growth and the robust review of the adequacy of the base budget. As a result the budget gap for 2013/16 was reported as £103 million and was the base position prior to the announcement of the Autumn Statement.
- 2.3 The Chancellor of the Exchequer in his Autumn Statement on 5 December 2012 indicated that funding for local government would be reduced by a further 2% from 2014/15. At this stage no specific details are known about the distribution across local authorities. However it is reasonable to assume that Wirral will lose at least a further £2.7 million in 2014/15 and £2.5 million in 2015/16, which increases the budget gap to £109 million. The Government Grant for 2013/14 has still to be announced. It is expected before Christmas and Cabinet will be updated at the earliest opportunity of the outcome.

- 2.4 The Council continues to seek additional Government support to help address the funding pressures. This includes working with other local authorities locally as well as with the Local Government Association (LGA) and the Special Interest Group of Metropolitan Authorities (SIGOMA).
- 2.5 The detail behind the Budget Projections for 2013/16 is in Appendix 1 and can be summarised as:-

Table 1 : Summary of the Budget Funding Gap

| Funding Gap | 2013/14 | 2014/15 | 2015/16 | Total |
|----------------|---------|---------|---------|-------|
| | £m | £m | £m | £m |
| Funding Gap | 39 | 43 | 27 | 109 |
| Cumulative Gap | 39 | 82 | 109 | |

- 2.6 The gap is the result of demographic changes, the impact of levies, inflation and other cost pressures and reductions in Government Grant. This is shown in Table 2 with more detail in Appendix 1.

Table 2 : Reasons behind the Budget Funding Gap

| Funding Gap | 2013/14 | 2014/15 | 2015/16 | Total | Total |
|---|---------|---------|---------|-------|-------|
| | £m | £m | £m | £m | % |
| Increased Costs inc Demographic Changes | 22 | 13 | 12 | 47 | 43 |
| Reduced Grants | 17 | 30 | 15 | 62 | 57 |
| Funding Gap | 39 | 43 | 27 | 109 | 100 |

LOCAL GOVERNMENT FINANCING CHANGES

- 2.7 Changes are being made to Local Government Finance from April 2013. These have been the subject of regular briefings to Members. These changes move a number of financial risks from Central to Local Government necessitating increased balances for future years. These include:-

2.7.1 Localisation of Business Rates

Previously Councils collected Business Rates locally that were paid into a national pool which was then redistributed by Government based upon the Formula Grant criteria. From April 2013 this changes with 50% of the Rates retained locally and the other 50% paid into the pool for redistribution.

For 2013/14 no local authority should be worse off than in 2012/13 but the risk of non-collection and reduced income is borne by the Council whilst any additional income will, presently, be shared with the Government.

2.7.2 Changes to Welfare Reform

The Council is required to have in place a Local Council Tax Support Scheme from 1 April 2013. Previously 100% funded by the Government the Government support reduces to 90% from April 2013. Therefore the Council is required to implement a local scheme and to identify alternatives to fund the 10% reduction and the potential losses on collection (see Cabinet report 29 November 2012). The costs of additional claimants will be met by the Council with additional risk of collection losses.

The transfer of responsibility for the making of emergency payments from the Government with effect from April 2013 also brings significant risks to the Council. Under the Local Welfare Assistance Scheme, which has to be agreed by the Council for implementation from April 2013, any additional spending in excess of the amount allocated by the Government has to be funded by the Council.

Looking forward, the Welfare Reform Act will see the implementation of the Government Universal Credit scheme currently being piloted. In Wirral this will commence from October 2013 for new claimants and current claimants from 2014/15.

2.7.3 Transfer of Public Health

Public Health transfers to Local Government in April 2013 and this will be funded by a specific 'ring-fenced' Government Grant, at least for 2013/14. The responsibility for, and the funding of, public health for children under the age of 5 transfers to the Council from 2015/16.

The actual grant for 2013/14 will not be issued until December 2012. The earlier consultations undertaken by the Government have indicated that the future funding for Public health in Wirral could reduce significantly which adds to the financial risks faced by the Council.

GROWTH ITEMS

2.8 The Budget Projections for 2013/16 include £11 million for growth arising from demographic changes, Government decisions regarding funding and local decisions relating to income.

2.9 All Chief Officers identified potential growth bids which were subject to review by the Executive Team and the Chief Executive and Interim Director of Finance as to their validity and justification.

2.10 Growth bids that have been agreed are detailed at Appendix 2. These have only been accepted where increased demand is placing uncontrollable pressure on safeguarding services for Adults and Children's Services and other services where the Council has a contractual obligation to fulfil.

SAVINGS OPTIONS

- 2.11 The Council undertook a comprehensive What Really Matters consultation programme from 10 September 2012 to 19 October 2012. The findings from this initial stage in a comprehensive programme of consultation and engagement were reported to Cabinet on 8 November 2012 – and subsequently to Overview & Scrutiny Committees.
- 2.12 The second stage of the Consultation began on 23 November 2012 and runs to 31 January 2013. This involves more detailed options proposed by the Chief Executive and the consultation extends to residents, partners and employees and includes Member engagement through the Committee process. The results are to be reported to Overview & Scrutiny Committees and to Cabinet on 7 February 2013.

Table 4 : Summary Of The Officer Savings Options*

| Consultation Options | 2013/16 | Total |
|------------------------------|---------|-------|
| | £m | £m |
| Transformation and Resources | 16 | |
| Families and Well Being | 33 | |
| Regeneration and Environment | 10 | 59 |
| Further Back Office Options* | | 19 |
| Total | | 78 |

* The Back Office options were referred to but not quantified in the Consultation and include the Efficiency Investment Fund (£8.4 million), procurement initiatives to be developed for 2014/16 (£8 million), VAT and energy 'one-off' items of £1.2 million and the potential benefits from shared services from 2015 (£1.4 million).

- 2.13 Chief Officers continue to review, refine and update the Budget Projections 2013/16. This includes a number of actions:-
- a) identifying areas where the assumptions can be updated or refined in light of further information from the Government and levying bodies such as in respect of the changes to the financing from April 2013.
 - b) progressing options in order to meet statutory time-scales with an example being the Local Council Tax Support Scheme agreed by Cabinet on 29 November 2012.
 - c) reviewing current practices to identify better ways of working which include the delivery of financial benefits such as the review of the Efficiency Investment Budget agreed by Cabinet on 8 November 2012.

Table 5 : Summary Of Agreed Savings By Approval Date

| Cabinet | 2013/14 | 2014/15 | 2015/16 | Total |
|--------------------|---------|---------|---------|-------|
| | £m | £m | £m | £m |
| November | | | | |
| Efficiency Fund | 4.4 | 2.0 | 2.0 | 8.4 |
| Council Tax Scheme | 2.8 | 0 | 0 | 2.8 |
| Totals | 7.2 | 2.0 | 2.0 | 11.2 |

2.14 The final decision regarding the Council Budget 2013/16 will be taken by Council on 5 March 2013 when the Budget 2013/14 and Council Tax levels for 2013/14 will be agreed.

3.0 RELEVANT RISKS

3.1 For 2013/16 there will be significant changes to the financing of local government which includes the changes in respect of the Formula Grant and also Business Rates. The latter places an increased risk upon local authorities as any they will benefit from a share of any increased revenues but also liable for at least a share of any falls in income (subject to the safety net triggers) and any non-collection.

3.2 The Government has indicated that the austerity measures outlined in the Spending Review for 2011/15 will continue beyond 2015 and until at least 2018. In the Autumn Statement on 5 December 2012 the Chancellor announced that there would a further 2% reduction in local government support from 2014/15 and that there would be a Spending Review in 2013.

3.3 The Audit Commission have recently reported upon a 36% rise in the level of reserves held by local authorities from 2007 to 2012. The Commission recommended that authorities should improve their decision-making about the appropriate levels of reserves.

3.4 In recognising the changing financial environment in which the Council operates Cabinet on 29 November 2012 agreed to a risk-based approach being adopted for setting the level of General Fund Balances. The Revenue Monitoring report on this agenda also makes reference to the additional concerns relating to income and the achievement of income targets.

4.0 OTHER OPTIONS CONSIDERED

4.1 All of these projections represent my assumptions of the most likely outcome from a wide range of available options.

5.0 CONSULTATION

5.1 The findings from the What Really Matters consultation that ran from 10 September 2012 to 19 October 2012 were reported to Cabinet on 8 November 2012 and subsequently to Overview & Scrutiny Committees.

5.2 The second stage began on 23 November 2012 and runs to 31 January 2013. The options are proposed by the Chief Executive and the results are to be reported to Overview & Scrutiny Committees and to Cabinet on 7 February 2013.

5.3 Where legally required to undertake a more formal consultation in respect of individual options then this more specific consultation will be carried out.

6.0 **IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 Where budget options recommend a reduction or removal of a public service, discussions will take place with appropriate alternative service providers to ascertain if the impact would result in increased demand for services from the alternative providers. This will include voluntary and community sector groups and organisations.

7.0 **RESOURCE IMPLICATIONS**

7.1 The Budget Projections 2013/16 indicate a shortfall between spend and resources of £109 million (an increase on the previous £103 million based upon an assessment of the announcement in the Autumn Statement of a further 2% reduction in local government funding from 2014/15). This forms the base position for identifying any actions to address the Budget gap.

7.2 The Growth options proposed of £10.7 million over the period 2013/15 are within the £11 million identified for growth in the Budget Projections 2013/16.

7.3 For 2013/14 the Savings agreed to date total £7.2 million and represent 18% of the Budget gap for 2013/14.

Table 6 : Summary Of Agreed Savings

| | 2013/14 | 2014/15 | 2015/16 | Total |
|-----------------------------------|---------|---------|---------|-------|
| | £m | £m | £m | £m |
| Funding Gap | 39 | 43 | 27 | 109 |
| Savings Options Agreed – November | 7.2 | 2.0 | 2.0 | 11.2 |

7.4 A number of the budget proposals will impact on staff. The Chief Executive formally opened statutory consultation under Section 188 (4) of the Trade Union and Labour Relations (Consolidation) Act 1992 on the impact of the Officer Budget Options on 12 November 2012. Formal consultation meetings and communication have been taking place across the organisation. Any budget options which impact on staff will be subject to further detailed consultation on the potential impact including one-to-one consultation with employees as part of the statutory process.

8.0 LEGAL IMPLICATIONS

- 8.1 The Council is required to agree a Budget for 2013/14 by 10 March 2013. The report concerns the duty of the Council to avoid a budget shortfall which is not just an academic exercise in balancing the books. The Chief Finance Officer of a local authority has a personal duty under Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.
- 8.2 If the Chief Finance Officer reports that there are insufficient resources to meet expenditure, the Council is prevented from entering into any new agreement which may involve the incurring of expenditure at any time by the authority, until the report is considered, and if the problem is ongoing until it is resolved. It is remarkably broad in its prohibition of new agreements, no matter what their scale. It would not only prevent the authority from hiring new staff or letting new construction contracts, but from ordering minor office supplies.

9.0 EQUALITIES IMPLICATIONS

- 9.1 When taking Budget decisions the individual decisions may have Equality Implications. Equality Impact Assessments have been completed in relation to the options and these will be re-assessed as the options progress and updated where appropriate. A cumulative assessment will accompany the Budget proposal.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 There are no implications arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 There are no implications arising directly from this report.

12.0 RECOMMENDATIONS

- 12.1 That the Budget Projections 2013/16 and the increase in the Budget gap from £103 million to £109 million be noted.
- 12.2 That the Budget Growth 2013/16 totalling £10.7 million be agreed and the detail be built into the Budget.
- 12.3 That the savings options 2013/16 agreed to date £11.2 million be noted.
- 12.4 That a special meeting of the Council be convened before the end of January 2013 to approve the Council Tax Base and Business Rates Base.

12.5 That, in accordance with the plan, Cabinet are requested to bring forward initial savings proposals to meet 40% of the Budget gap for 2013/14.

13.0 REASON FOR RECOMMENDATION

13.1 The regular reporting of the Budget Projections is a requirement of good corporate and financial planning and key to the provision of a robust and sustainable Council Budget. The agreement of growth and savings are a significant part of the Budget setting process.

13.2 The Council Tax Base and Business Rates Base are required to be approved by Council before 31 January 2013. At this stage further information is awaited from Government regarding Business Rates under the revised financing arrangements for local government.

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APPENDICES

Appendix 1 Wirral Council Budget Projections 2013/16.
Appendix 2 Wirral Council Growth Submissions 2013/16.

REFERENCE MATERIAL

Budget - HM Treasury - March 2011.
Independent Public Service Pensions Commission Report - March 2011.
Spending Review - HM Treasury - October 2010.
Medium Term Financial Strategy 2012/15 - October 2011.
Local Government Finance Settlement 2012/13 - DCLG - January 2012.
Council Budget 2012/13 - March 2012.
Autumn Statement – HM Treasury – December 2012.

SUBJECT HISTORY

| Council Meeting | Date |
|---|------------------|
| Cabinet | |
| Budget Projections | 19 July 2012 |
| What Really Matters Consultation Findings | 8 November 2012 |
| Level Of General Fund Balances | 29 November 2012 |

APPENDIX 1

WIRRAL COUNCIL - BUDGET PROJECTIONS 2013/16

| Financial Year | BUDGET PROJECTIONS | | | CHANGE ANALYSIS | | |
|---|---------------------------|---------------------------|-------------------------------|----------------------------|-----------------------|----------------|
| | Projected Net Exp £000 | Projected Funding £000 | Cumulative Difference £000 | Spending Increases £000 | Grant Reduced £000 | Total £000 |
| 2012/13 | 287,481 | 287,481 | | | | |
| 2013/14 | 312,052 | 273,064 | 38,988 | 24,571 | 14,417 | 38,988 |
| 2014/15 | 341,352 | 259,480 | 81,872 | 29,300 | 13,584 | 42,884 |
| 2015/16 | 355,652 | 254,666 | 108,686 | 14,300 | 12,513 | 26,813 |
| Reduction in Specific Government Grants | | | | -20,400 | +20,400 | |
| | | | | <u>47,771</u> | <u>60,915</u> | <u>108,686</u> |

Note : Figures include an estimate for the 2% additional reduction in Government Grant from 2014/15 being £2.7 million 2014/15 and £2.5 million 2015/16 per Autumn Statement on 5 December 2012.

ANALYSIS OF THE CHANGES

| | 2013/14 £000 | 2014/15 £000 | 2015/16 £000 | TOTAL £000 |
|---------------------------------------|-----------------|-----------------|-----------------|----------------|
| Cost increases | | | | |
| Pay - Inflation/pension costs | 2,000 | 4,200 | 2,000 | 8,200 |
| Price inflation | 4,200 | 4,200 | 4,200 | 12,600 |
| Efficiency Fund | 2,000 | 2,000 | 2,000 | 6,000 |
| Growth | 1,000 | 1,000 | 1,000 | 3,000 |
| Net Demographic Growth | 4,000 | 2,000 | 2,000 | 8,000 |
| Streetscene Contract | 100 | 0 | 0 | 100 |
| Pacific Road Theatre | 600 | 0 | 0 | 600 |
| Levies – Waste / Merseytravel | 2,500 | 2,500 | 2,500 | 7,500 |
| Capital Financing | 1,700 | 1,700 | 1,700 | 5,100 |
| Base Budget correction | 8,000 | 0 | 0 | 8,000 |
| | <u>26,100</u> | <u>17,600</u> | <u>15,400</u> | <u>59,100</u> |
| Savings | | | | |
| Income inflation | -1,000 | -1,000 | 0 | -2,000 |
| Change Programme savings | -3,400 | -3,300 | -3,300 | -10,000 |
| | <u>-4,400</u> | <u>-4,300</u> | <u>-3,300</u> | <u>-12,000</u> |
| Cessation of spends | | | | |
| One-off policy options | -4,943 | 0 | 0 | -4,943 |
| One-off cost C/Tax reimbursement | -3,990 | 0 | 0 | -3,990 |
| | <u>-8,933</u> | <u>0</u> | <u>0</u> | <u>-8,933</u> |
| Funding cessation | | | | |
| One off Funding - Reserves | 9,604 | 0 | 0 | 9,604 |
| SPENDING INCREASE | <u>22,371</u> | <u>13,300</u> | <u>12,100</u> | <u>47,771</u> |
| Reduction in Government Grants | | | | |
| General Grants | -14,417 | -13,584 | -12,513 | -40,515 |
| Various Specific Grants | -2,200 | -16,000 | -2,200 | -20,400 |
| REDUCTION IN GRANTS | <u>-16,617</u> | <u>-29,584</u> | <u>-14,713</u> | <u>-60,915</u> |

WIRRAL COUNCIL GROWTH SUBMISSIONS 2013/16

| Department | Option Title | 2013/14 £000 | 2014/15 £000 | 2015/16 £000 | Total £000 |
|----------------|--|-----------------|-----------------|-----------------|---------------|
| Children | Independent Reviewing Officers | 90 | 0 | 0 | 90 |
| | Additional Social Worker Capacity in Wallasey District | 315 | 0 | 0 | 315 |
| | Social Workers in Schools | 75 | 0 | 0 | 75 |
| | Family Justice Review | 100 | 0 | 0 | 100 |
| | Staying Put Policy | 100 | 0 | 0 | 100 |
| | Increase in demand (Foster Care) | 500 | 0 | 0 | 500 |
| | Youth Justice Board Costs | 50 | 0 | 0 | 50 |
| Adult Services | Increase in Fees for Residential & Nursing Care | 800 | 0 | 0 | 800 |
| | Increase in Demand (Young Adults with Learning Disabilities) | 944 | 926 | 930 | 2,800 |
| | Increase in Demand (Older People) | 1,773 | 1,276 | 875 | 3,924 |
| LHRAM | Continuation of Community Fund and Supporting People funded services | 0 | 0 | 573 | 573 |
| RHP | Continuation of Community Fund funded services | 0 | 0 | 1,000 | 1,000 |
| Technical | Annual Property Uplift Biffa Waste contract | 12 | 12 | 12 | 36 |
| | Increase in running costs following extensions to Cemeteries | 0 | 60 | 60 | 120 |
| Finance | Reduction in Housing Benefit Administration grant 2013/14 | 237 | 0 | 0 | 237 |
| Totals | | 4,997 | 2,274 | 3,450 | 10,721 |

WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|--------------------------------------|---------------------------------------|
| SUBJECT: | SENIOR MANAGEMENT RESTRUCTURE |
| WARDS AFFECTED: | ALL |
| REPORT OF: | GRAHAM BURGESS CHIEF EXECUTIVE |
| RESPONSIBLE PORTFOLIO HOLDER: | COUNCILLOR PHIL DAVIES |
| KEY DECISION? | YES |

1. EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to bring forward a detailed proposal in relation to the Council's senior management restructure, following the Cabinet and Employment and Appointments Committee reports of 18 September 2012. The proposal includes details of financial savings, attached at Appendix Two.
- 1.2. This report proposes to reduce the senior management structure of the Council from 30 full time equivalent (FTE) posts, to 19 FTE posts, (excluding the three Strategic Director posts).

2. BACKGROUND AND KEY ISSUES

- 2.1. It was agreed by Cabinet on 18 September 2012 (minute 83) that:

“The Chief Executive provides a further report in relation to the further senior management restructure, including details of financial savings.”

- 2.2. The Council and local government in general face unprecedented financial challenges as a result of cuts in funding and increased demand on services. The Council has to make savings of around £103 million over the next three years.
- 2.3. In order to manage these challenges, the Council requires strong leadership so that the priorities within the Corporate Plan can be delivered. In addition the Council must make savings from senior management to support as far as possible the protection of front line services
- 2.4. The proposed senior management structure, attached at Appendix Two has been put forward to enable the Council to meet the challenges it faces, including improvements to its strategic leadership and significant financial savings.

3. CURRENT MANAGEMENT ARRANGEMENTS

3.1. The current senior management structure, as approved by Cabinet and the Employment and Appointments Committee on 18 September 2012, is attached at Appendix One.

4. PROPOSED CHANGES TO SENIOR MANAGEMENT STRUCTURE

4.1. The proposed senior management structure is attached at Appendix Two.

5. PRINCIPLES

5.1. The following principles have been applied to the proposed senior management structure and will apply to the further management restructures to ensure a consistent approach:

- i. Management tiers:
That there is a maximum of three management layers between Head of Service and front-line employees, as follows:
 - a. Senior manager: to report to a Head of Service
 - b. Manager: to report to a senior manager
 - c. Team leader: to report to a manager
- ii. That no other management titles are used, other than those as stated in point i) above, and that no management duties are undertaken by employees below PO level (to be confirmed at stage three).
- iii. That 'Deputy' posts do not exist within the reporting structures.
- iv. That one to one reporting arrangements do not exist within the structure.
- v. That there are no pay increases.

6. AREAS OF RESPONSIBILITY

6.1. Families and Wellbeing

The Families and Wellbeing programme area will include the Department of Adult Social Services and the Children and Young People's Department. The following Chief Officer/Head of Service posts are proposed:

| Post Title | Key Areas of Responsibility (list is not exhaustive) |
|--|--|
| Strategic Director: Families and Wellbeing | As agreed by Cabinet and the Employment and Appointments Committee on 18 September 2012 And <ul style="list-style-type: none">• Sport and recreation |
| Director of Adult Social Services | Remains largely unchanged: <ul style="list-style-type: none">• Effective delivery and improvement of all Adult Services• Adult Service Transformation and improvement |

| | |
|---|--|
| | <ul style="list-style-type: none"> • Integrated working • Safeguarding • Social care in the wider context |
| Head of Transformation (Adults) | <ul style="list-style-type: none"> • Transforming social care • Integrated commissioning • Standards and planning • Professional leadership • Safeguarding and care governance, including independent reviews |
| Head of Delivery (Adults) | <ul style="list-style-type: none"> • Developing and delivering community services • Locality social care teams • Integrated provision • Personalised support services • Integrated disability service |
| Director of Children's Services | <p>Remains largely unchanged:</p> <ul style="list-style-type: none"> • Effective delivery and improvement of all Children's Services • Integrated working • Safeguarding • Social care in the wider context |
| Head of Targeted Services (CYPD) | <ul style="list-style-type: none"> • Early intervention/targeted family support • Sure start/children's centres • Youth and play • Youth offending • Troubled families • School improvement and intervention • School attendance management |
| Head of Specialist Services (CYPD) | <ul style="list-style-type: none"> • Children's social work services • Fostering service • Adoption and permanence service • Pathway service • Services for children with disabilities and special education needs • Looked after children's service • Children in care council and children's involvement |
| Head of Universal and Infrastructure (CYPD) | <ul style="list-style-type: none"> • Corporate asset management • Facilities management • Emergency planning • Health and safety • Integrated transport • School traded services • School admission/appeals/statutory functions • 14-19 participation • Wirral lifelong learning and family services • Children's trust Partnerships and commissioning |

6.2. Transformation and Resources

The Transformation and Resources programme area will include the services that are currently under the Department of Law, HR and Asset Management, and the Department of Finance. The following Chief Officer/Head of Service posts are proposed:

| Post Title | Key Areas of Responsibility (list is not exhaustive) |
|--|---|
| Strategic Director: Transformation and Resources | As agreed by Cabinet and the Employment and Appointments Committee on 18 September 2012 |
| Director of Resources | <ul style="list-style-type: none"> • Section 151 Officer • Statutory Senior Information Risk Officer (SIRO) • Financial and Treasury management • Audit • Procurement • Information technology services |
| Head of Financial Services | Remains largely unchanged: <ul style="list-style-type: none"> • Deputy Section 151 Officer • Financial management • Financial advice |
| Head of Legal and Member Services | <ul style="list-style-type: none"> • Monitoring Officer • Legal Services • Registration • Freedom of Information Records Management and Archive • Complaints |
| Head of Human Resources and Organisational Development | Remains largely unchanged: <ul style="list-style-type: none"> • Human Resources • Organisational Development • Payroll |
| Head of Business Processes | <ul style="list-style-type: none"> • Revenues • Benefits • Customer Services including One Stop Shops and Call Centre • Library Service |
| Head of Merseyside Pension Fund | Remains largely unchanged: <ul style="list-style-type: none"> • Pension administration • Pension Investments Strategy • Pension advice |

6.3. Regeneration and Environment

The Regeneration and Environment programme area will include the services that are currently under the Technical Services Department and the Department of Regeneration, Housing and Planning. The following Chief Officer/Head of Service posts are proposed:

| Post Title | Key Areas of Responsibility (list is not exhaustive) |
|--|---|
| Strategic Director: Regeneration and Environment | As agreed by Cabinet and the Employment and Appointments Committee on 18 September 2012 |
| Head of Regeneration | Remains largely unchanged: <ul style="list-style-type: none"> • Regeneration and economic development • Business support • Local Enterprise Partnership • Planning • Building control • Cultural services |
| Head of Housing and Community Safety | <ul style="list-style-type: none"> • Housing Strategy including homelessness • Housing renewal including private sector housing • Supporting people • Community safety • Anti-social behaviour team |
| Head of Environment and Regulation | <ul style="list-style-type: none"> • Waste and environment • Highways management • Traffic and transport • Parks and countryside • Regulation • Trading standards • Environmental health |

6.4. Chief Executive

The Chief Executive's department will include the Policy, Performance and Public health service, and the Neighbourhoods and Engagement service. The following Chief Officer/Head of Service posts are proposed:

| Post Title | Areas of Responsibility |
|--|---|
| Chief Executive | Remains largely unchanged: <ul style="list-style-type: none"> • Head of Paid Service • Deliver the Council's vision, aims and objectives • Ensure effective and efficient delivery of all Council services |
| Head of Policy and Performance and Director of Public Health | Remains largely unchanged: <ul style="list-style-type: none"> • Statutory Director of Public Health • Health improvement and protection |

| | |
|---------------------------------------|--|
| | <ul style="list-style-type: none"> • Policy and planning • Strategic commissioning development • Performance management • Wirral Public Service Board |
| Head of Neighbourhoods and Engagement | <ul style="list-style-type: none"> • Community cohesion • Equality and diversity • Voluntary sector/compact • Neighbourhoods • Area planning/area public service boards • Tourism • Communications, marketing, press and public relations |

7. RECRUITMENT TO THE POSTS

7.1. The following methods will be used for managing the selection processes:

- Slotting in or assimilation – where the employee’s post is the same in the new structure, or where at least 70% of the employee’s current duties, match those in the new structure, the employee will be slotted in.
- Ring fenced recruitment – where at least 70% of an employee’s current duties, match those in the new structure, but there are more employees than posts available. A competitive selection process will take place.
- Open recruitment – where a vacancy or new post is created, a competitive recruitment process will take place.
- Deletion of post (redundancy) – where a post is deleted, and slotting in or ring fenced recruitment does not apply, the post holder will receive notification of selection for redundancy.

The application of the above methods for managing the selection process for the senior management restructure are attached at Appendix Three.

8. FUTURE CHANGES

8.1. It is proposed that a further management structure for senior managers (those reporting to a Head of Service) and below is undertaken, following the outcome of this report. This should include consultation with the recognised Trade Unions and the staff affected, and should consider the impact on remaining structures. The further management structure will follow the principles as above (paragraph 5), and will make financial savings of £4m, approximately 30% of the current management costs at this level. Where there is a requirement for Committee approval, the necessary structures should be brought forward to Cabinet and the Employment and Appointments Committee in February 2013.

9. RELEVANT RISKS

9.1. The Council has considered all relevant risks in relation to the efficiency and effectiveness of the proposed senior management restructure, and considers the proposed structure is able to deliver the Council's objectives, and meet the demanding financial challenge, with minimum risk.

10. OTHER OPTIONS CONSIDERED

10.1. This is one of a range of options being put forward by the Council to achieve the financial savings necessary for the Council to reduce its budget deficit.

11. CONSULTATION

11.1. Consultation has taken place with the Trade Unions in respect of these proposals. The feedback from this consultation process is summarised as follows:

Job Evaluation

The Trade Unions raised the issue that the proposed Chief Officer/Head of Service posts in the proposed senior management structure have not been Job Evaluated.

11.2. The Council has consulted with all Chief Officers and Heads of Service throughout this process. This included consultation letters and packs to all affected staff, consultation briefings with the Chief Executive, and 1-2-1 meetings with the Chief Executive and Human Resources. The overall feedback from this consultation process is summarised as follows:

Capacity

Issues were raised in relation to the remits for some of the Head of Service posts and whether the post holders would have sufficient capacity to lead and manage all of the service functions within them.

Service alignment

A number of individuals put forward views in relation to where some service functions best fit within the proposed senior management structure. Examples include Sport and recreation, Trading Standards and Regulation.

The response is summarised as follows:

Capacity

The issues raised have been noted and considered in the context of the Council's financial position and further senior management restructure. The issues in relation to capacity for posts that have larger remits will be addressed at the tier below Head of Service when the further senior management restructure comes forward in February 2013. In addition, the Council will be down-sizing over the next few years. In periods of particularly high demand, the Council may consider using its internal and external resources flexibly to meet demands.

Service alignment

The Council accepts that a number of service functions can fit into more than one area within the proposed senior management structure. The service functions have been grouped in line with best fit, and consideration of the remit of the three new Strategic Director posts, and the context of making the necessary financial savings. As the

Council's financial pressures change and national policies develop, the structures will be subject to changes to reflect this.

12. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

12.1. The proposed senior management structure will not have any direct implications for the voluntary, community and faith groups. The Council will continue to work in partnership with these groups.

13. RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

13.1. The proposed senior management structure reduces the number of posts at this level by 11 full time equivalent (fte), resulting in savings of £1,245,990. As agreed by Cabinet and the Employment and Appointments Committee on 18 September 2012, these savings will fund the three Strategic Director posts, leaving a net cost saving to the Council of £799,811.

This is illustrated in the following summary table:

| | Current | Proposed | Saving | % | | Add in SD posts x3 | Total saving | Total % |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--------|--|--------------------|--------------|---------|
| No of posts | 30 fte (excluding SD posts x3) | 19 fte (excluding SD posts x3) | 11 fte (excluding SD posts x3) | 36.66% | | 22 fte | 8 fte | 26.66% |
| Total salary cost inc on-costs | £3,192,496 (excluding SD posts x3) | £1,946,506 (excluding SD posts x3) | £1,245,990 (excluding SD posts x3) | 39.03% | | £2,392,685 | £799,811 | 25.05% |

13.2. In addition, a number of the posts are covered by income. This includes £90,000 towards the cost of the Strategic Director: Transformation and Resources from Merseyside Pension Fund, and £89,240 salary cost for the Head of Policy and Performance and Director of Public Health as part of the Public Health transition budget transfer.

This is illustrated in the following summary table:

| Post | Salary including on-costs | Income | Net Salary: Cost to Council |
|--|---------------------------|--|-----------------------------|
| Strategic Director: Transformation and Resources | £148,726 | £90,000 (budget from Merseyside Pension Fund) | £58,726 |
| Head of Policy and Performance and Director of Public Health | £108,962 | £108,962 (budget from NHS Public Health transition) | £0.00 |
| Total | £257,688 | £198,962 | £58,726 |

The total net savings to the Council is therefore £998,773, as illustrated in the summary table below:

| Cost of proposed structure, including SD posts x3 | Net Income of £198,962 | Total saving | Total % |
|--|-------------------------------|---------------------|----------------|
| £2,392,685 | £2,193,723 | £998,773 | 31.28% |

13.3. The Officer Budget Option in relation to reducing management costs put forward a proposed saving of £5m. The additional £4m savings will be generated via the further management restructure which will be brought forward to Cabinet and the Employment and Appointments Committee in February 2013.

14. LEGAL IMPLICATIONS

14.1. Legal and HR advice has been sought in relation to the implications arising from the proposed senior management structure to ensure that correct processes are followed.

15. EQUALITIES IMPLICATIONS

15.1. An EIA has been completed on the proposed senior management structure. The EIA is attached, and is available at:

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/budget-options-eias>

16. CARBON REDUCTION IMPLICATIONS

16.1. None arising from this report.

17. PLANNING AND COMMUNITY SAFETY IMPLICATIONS

17.1. None arising from this report.

18. RECOMMENDATIONS

It is recommended that Cabinet:

- 18.1. Endorse the report.
- 18.2. Refer and recommend the following proposals to the Employment and Appointments Committee for consideration and decision:

- The deletion of the following posts:

Adult Social Services

- Deputy Director of Adult Social Services
- Head of Finance and Performance (Adults)
- Head of Locality Personalised Support (Adults)
- Head of Specialist Personalised Support (Adults)
- Head of Safeguarding and care Governance (Adults)

Children's Services

- Deputy Director: Planning, resources and Schools (CYPD)
- Head of Children's Social Care
- Head of Learning and Achievement

Finance

- Director of Finance
- Deputy Director of Finance
- Head of IT Services
- Head of Benefits, Revenues and Customer Services

Law, HR and Asset Management

- Director of Law, HR and Asset Management
- Head of Regulation
- Head of Asset Management

Technical Services

- Director of Technical Services
- Deputy Director of Technical Services
- Head of Cultural Services

Regeneration, Housing and Planning

- Director of Regeneration, Housing and Planning

- The creation of the following posts:

Families and Wellbeing

- Head of Transformation (Adults)
- Head of Delivery (Adults)
- Head of Specialist Services (CYPD)
- Head of Targeted Services (CYPD)
- Head of Universal and Infrastructure (CYPD) and Assistant Chief Executive

Regeneration and Environment

- Head of Environment and Regulation

Transformation and Resources

- Head of Business Processes

- The re-designation of the following posts:

Regeneration and Environment

- Head of Housing to Head of Housing and Community Safety

Chief Executive

- Head of Communication and Community Engagement to Head of Neighbourhoods and Engagement

18.3 To approve the re-alignment of services across the three programme areas as detailed in the report.

18.4 To ask the Chief Executive to consult on and to implement the further management restructure for senior manager levels to PO level, with expected financial savings of £4m.

19 REASONS FOR RECOMMENDATION/S

19.1 The senior management structure proposed at Appendix Two reflects a revised leadership structure that is required to provide capacity for strategic direction and

planning, to ensure the Council can deliver its objectives, and to generate financial savings of £998,773 in line with the Council's need to reduce its budget shortfall of £39m for 2013-14.

- 19.2 The Council is required to make further financial savings including additional savings aligned to the further management restructure of the Council.

REPORT AUTHOR: Chris Hyams

Head of Human Resources and Organisational Development

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email: chrishyams@wirral.gov.uk

APPENDICES

Appendix 1 Current Senior Management Structure, including total cost

Appendix 2 Proposed Senior Management Structure, including total cost

Appendix 3 Application of methods for managing the selection process

REFERENCE MATERIAL

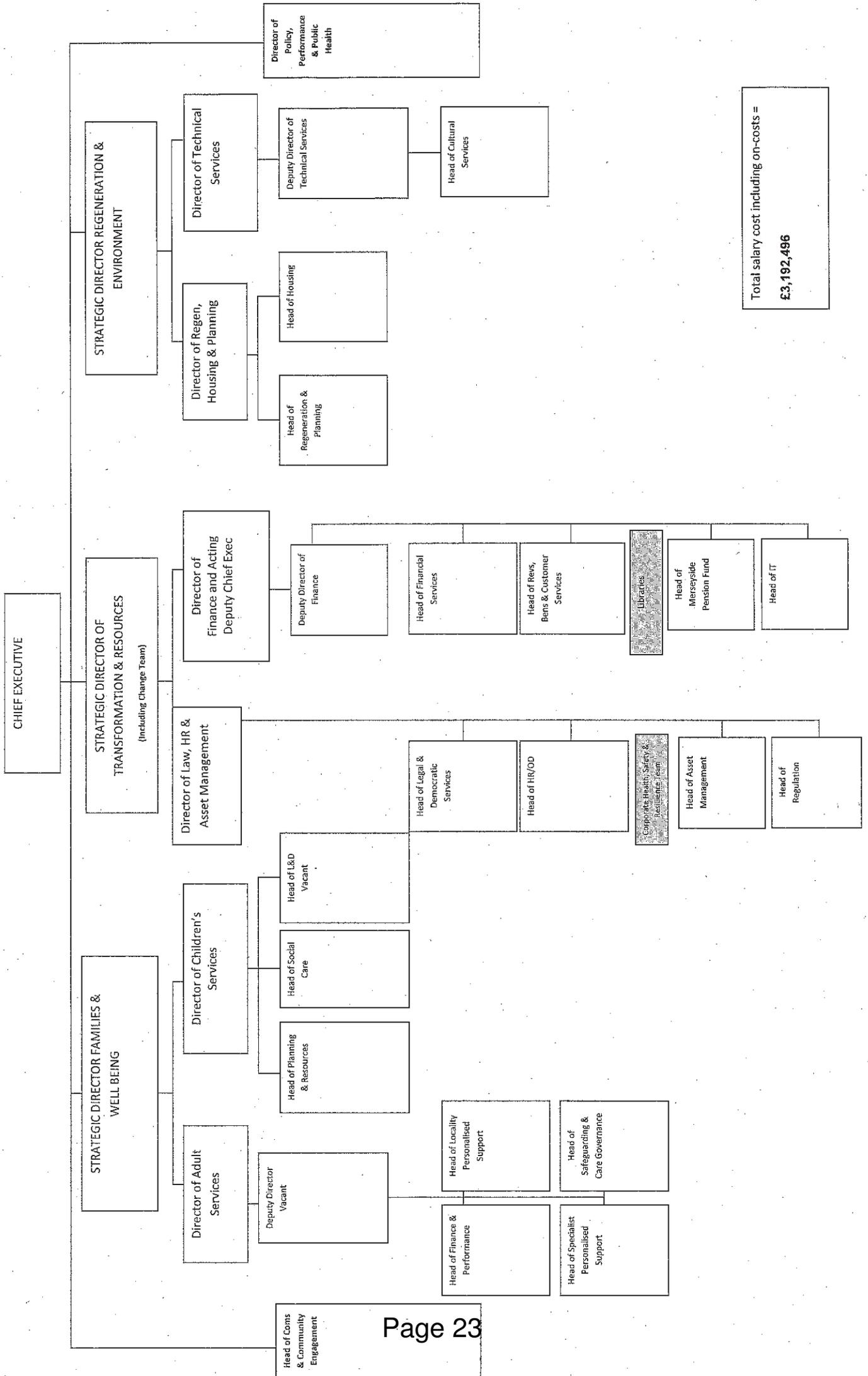
None

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|-------------------|
| Employment and Appointments Committee | 18 September 2012 |
| Cabinet | 18 September 2012 |
| Council | 16 July 2012 |
| Employment and Appointments Committee | 29 September 2011 |

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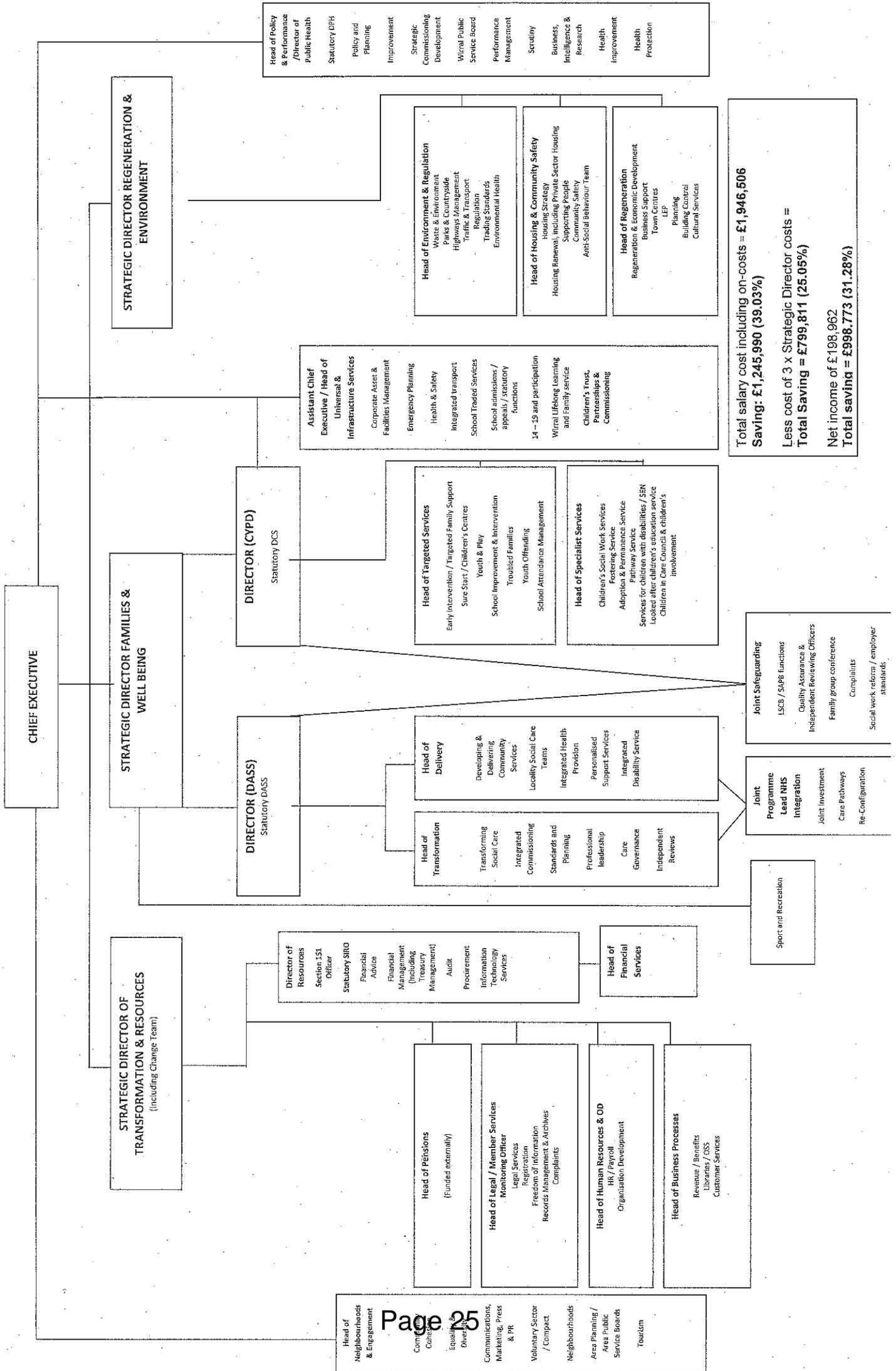
Current Senior Management Structure (18/09/2012)



Total salary cost including on-costs =
£3,192,496

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PROPOSED SENIOR MANAGEMENT STRUCTURE



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Senior Management Restructure Proposals – methods for managing the selection process

| Current Post | Post deleted Y/N | New Post | Selection Process: Method | Selection Process: |
|--|---------------------|--|--|--|
| Chief Executive Chief Executive | N | Chief Executive | No change | N/A |
| N/A | New | Strategic Director: Families and Wellbeing | Open recruitment | N/A |
| N/A | New | Strategic Director: Transformation and Resources | Open recruitment | N/A |
| N/A | New | Strategic Director: Regeneration and Environment | Open recruitment (Interim appointed to cover) | N/A |
| Director of Policy, Performance and Public Health | N | Head of Policy and Performance and Director of Public Health | No change | N/A |
| Head of Communication and Community Engagement | N | Head of Neighbourhoods and Engagement | No change | N/A |
| Adult Social Services Director of Adult Social Services | N | Director of Adult Social Services | No change | N/A |
| Deputy Director of Adult Social Services | Y | N/A | Post deleted | N/A – post vacant |
| Head of Finance and Performance | Y | N/A | End of Contract | N/A |
| Head of Locality Personalised Support | Y | Head of Transformation | Proposed Ring Fenced recruitment | Head of Locality Personalised Support |
| Head of Safeguarding and Care Governance | Y | Head of Delivery | | Head of Safeguarding and Care Governance |
| Head of Specialist Personalised Support | Y | | | Head of Specialist Personalised Support |
| CYPD | | | | |
| Director of Children's Services | N | Director of Children's Services | Open recruitment | N/A |
| Head of Children's Social Care | Y | Head of Specialist Services | Proposed Slotting in | Head of Children's Social Care |
| Head of Learning & Achievement | Y | Head of Targeted Services | Open recruitment | N/A |
| Deputy Director: Planning, Resources and Schools | Y | Head of Universal and Infrastructure | Proposed Slotting in | Deputy Director: Planning, Resources and Schools |
| Finance | | | | |
| Director of Finance/Deputy Chief Executive | Y | N/A | Post deleted | N/A – post vacant |
| Deputy Director of Finance | Y | N/A | Proposed Redundancy | N/A |
| Head of Benefits, Revenues and Customer Services | Y | Head of Business Processes | Proposed Slotting in | Head of Benefits, Revenues and Customer Services |
| Head of Financial Services | N | Head of Financial Services | No change | N/A |

| Current Post | Post deleted Y/N | New Post | Selection Process: Method | Selection Process: |
|--|---------------------|---|-------------------------------------|---|
| Head of IT Services | Y | N/A | Proposed Redundancy | N/A |
| Head of Merseyside Pension Fund | N | Head of Merseyside Pension Fund | No change | N/A |
| N/A | New | Director: Resources | Open recruitment (Interim to cover) | N/A |
| Law, HR and Asset Management | | | | |
| Director of Law, HR and Asset Management (Vacant) | Y | N/A | Post deleted | N/A – post vacant |
| Head of Legal and Democratic Services | N | Head of Legal and Member Services | No change | N/A |
| Head of HR and OD | N | Head of HR and OD | No change | N/A |
| Head of Regulation | Y | Head of Environment and Regulation | Proposed Ring fenced recruitment | Head of Regulation Deputy Director of Technical Services Head of Cultural Services |
| Head of Asset Management | Y | N/A | Proposed Redundancy | N/A |
| Regeneration, Housing and Planning | | | | |
| Director of Regeneration, Housing and Planning | Y | N/A | Proposed Redundancy | N/A |
| Head of Regeneration and Planning | N | Head of Regeneration | Proposed Slotting in | Head of Regeneration and Planning |
| Head of Housing | N | Head of Housing and Community Safety | Proposed Slotting in | Head of Housing |
| Technical Services | | | | |
| Director of Technical Services | Y | N/A | Proposed Redundancy | N/A |
| Deputy Director of Technical Services | Y | Head of Environment and Regulation | Proposed Ring fenced recruitment | Head of Regulation Deputy Director of Technical Services Head of Cultural Services |
| Head of Cultural Services | Y | | | |
| Total: 30 | | Total: 22 including 3 Strategic Director posts | | |

Proposal for Officer Options for Savings - Equality Impact Assessment Template (Oct 2012)

Section 1: Your details

EIA lead Officer: Tony Williams

Email address: tonywilliams@wirral.gov.uk

Head of Section: Chris Hyams

Chief Officer: Surjit Tour

Department: Law, HR & Asset Management

Date: 9 November 2012

Section 2: What Council proposal is being assessed?

Proposed restructure of the Senior Management Structure of Wirral Council (Below Head of Service to PO1 Officers with responsibility for subordinates). The number of employees in this group of employees is 479.

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes If 'yes' please state which meeting and what date

**Cabinet and Employment and Appointments Committee: 20
December 2012**

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|---|--------------------|-------------------|-------------------------------------|
| <p>479 employees in this category</p> | <p>The overall purpose of senior management restructure is aimed at delayering the organisation, making financial savings, and improving accountability and communication.</p> <p>The initial senior management structure at Chief Officer and Head of Service level has been reviewed.</p> <p>This stage focuses on below Head of Service level to Officers graded at PO1 with responsibility for subordinates</p> <p>Negative</p> <p>In view of this, there are a number of posts at risk of redundancy during this process</p> | <p>The Council’s redundancy and redeployment policy sets out the procedure where posts are at risk through organisational change (inc restructuring).</p> <p>The policy sets out the Council’s legal obligation to consult with affected employees, explore alternatives and seeking to avoid a redundancy situation.</p> | <p>Chris Hyams</p> | <p>3-6 months</p> | <p>Not determined at this stage</p> |

| | | | | | |
|---------------------------|--|---|--|--|--|
| Women / men | <p>Positive</p> <p>The percentage of women (55.95% - 268 employees) is substantially lower for this group of employees compared to that of the rest of the workforce (66.98% - 3,546 employees)</p> <p>Negative</p> <p>The percentage of men (44.05% - 211 employees) is substantially higher for this group of employees compared to that of the rest of the workforce (33.02% - 1,748 employees)</p> | This is an unintentional disadvantage. A full workforce audit will be undertaken once restructuring has been completed. | | | |
| Race | <p>Negative</p> <p>The percentage of BME (2.51% of employees) is higher for this group of employees compared to that of the rest of the workforce (2.17% of employees)</p> | This is an unintentional disadvantage. A full workforce audit will be undertaken once restructuring has been completed. | | | |
| Disability | <p>Negative</p> <p>The percentage of disabled (4.18% of employees) is substantially higher for this group of employees compared to that of the rest of the workforce (3.06% of employees)</p> | This is an unintentional disadvantage. A full workforce audit will be undertaken once restructuring has been completed. | | | |
| Sexual Orientation | <p>Negative</p> <p>The percentage of Gay employees (1.46% of employees) is substantially higher for this group of employees compared to that of the rest of the workforce (0.62% of employees).</p> | This is an unintentional disadvantage. A full workforce audit will be undertaken once restructuring has been | | | |

| | | | | | |
|-----------------------------|---|---|--|--|--|
| | The number of Heterosexual employees (46.76% of employees) is higher for this group of employees compared to that of the rest of the workforce (39.98% of employees). | completed. | | | |
| Gender re-assignment | Negative The number of Transgender employees (0%) is higher for this group of employees compared to that of the rest of the workforce (0.23% of employees) | This is an unintentional disadvantage. A full workforce audit will be undertaken once restructuring has been completed. | | | |
| Religion and Belief | Negative Christian belief (34.6% of employees) is higher for this group of employees compared to that of the rest of the workforce (31.85% of employees) Non Christian belief (6.88% of employees) is higher for this group of employees compared to that of the rest of the workforce (4.55% of employees) | This is an unintentional disadvantage. A full workforce audit will be undertaken once restructuring has been completed. | | | |
| Age | Positive <i>Young = 16-49 year olds</i> The number of employees in this category is significantly lower than the rest of the workforce (54.28% of employees compared to 61.2% of employees) <i>Older = 64 years old plus</i> The number of employees in this category is significantly lower than the rest of the workforce (0.83% of employees compared to 3.5% of employees) | This is an unintentional advantage. A full workforce audit will be undertaken once restructuring has been completed. | | | |

Section 4a: Where and how will the above actions be monitored?

Equality data will be reviewed as key decisions are made by the Human Resources team, to determine if the impact has changed following this stage of the restructure.

This is a proposal for a restructure to assess the potential impact, therefore once the proposal is brought forward for decision making and when it is implemented further Equality Impact Assessments will be undertaken to at each stage to assess the actual impact.

Section 4b: If you think there is no negative impact, what is your reasoning behind this?

n/a

Section 5: What research / data / information have you used in support of this process?

Workforce equality profile data held with Human Resources section.

Section 6: Are you intending to carry out any consultation with regard to this Council proposal?

Yes

If 'yes' please continue to section 8.

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 7: How will consultation take place and by when?

The Chief Executive opens statutory consultation under the requirements of the Trade Union and Labour Relations Consolidation (TULRCA) Act 1992 on 9 November 2012 on the potential changes, through the publication of the officer budget options that are being considered that affect the workforce.

This consultation will run throughout the duration of the public consultation on options which will close on January 31st 2013, and the subsequent Council decision making process. This

will run to 90 days plus, and staff will remain at risk until decisions are made regarding their posts.

Consultation will take place with the Trade Unions formally through Joint Consultative Committees, meetings with the Leader and Chief Executive. In addition informal working meetings will take place through the process. Further consultation with all affected staff will be considered.

WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|---|--|
| SUBJECT | REVENUE MONITORING 2012/13 MONTH 7 (OCTOBER 2012) |
| WARD/S AFFECTED | ALL |
| REPORT OF | INTERIM DIRECTOR OF FINANCE |
| RESPONSIBLE PORTFOLIO HOLDER | COUNCILLOR PHIL DAVIES |
| KEY DECISION | YES |

1 EXECUTIVE SUMMARY

- 1.1 This report sets out the revenue position for 2012/13 as at Month 7 (October 2012). It identifies the latest financial projections and prioritises the risks for ongoing management actions, to ensure the year-end position will deliver the budget allocated. A major risk has just emerged concerning the reliability of fees & charges income, going back many years. There is further comment at paragraph 2.14.

2 BACKGROUND

- 2.1 Cabinet on 6 September 2012, when considering the Month 3 monitor, instituted a spending freeze, in the light of a significant projected overspend. Items within the freeze agreed by 18 October and 8 November Cabinets are included within the monitoring figures below. The outcome of weeks seven to ten are reported within this report as per Appendix 7.

OVERALL POSITION AT MONTH 7 (OCTOBER 2012)

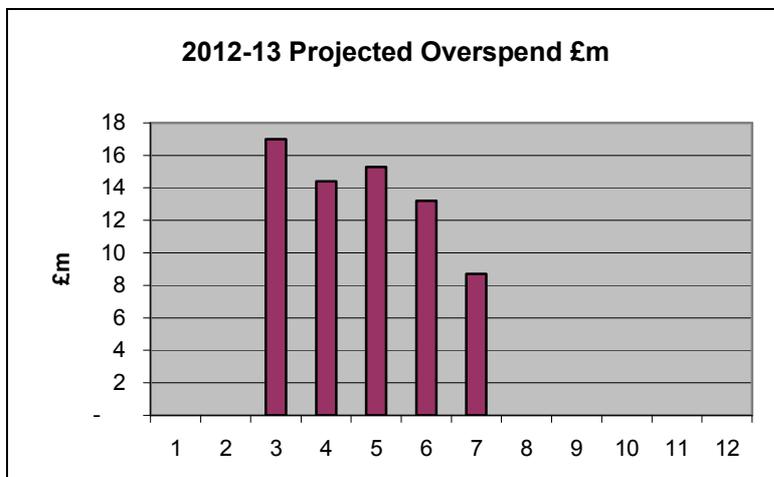
- 2.2 The projected revenue forecast for the year, at Month 7 (to end October 2012), shows a potential General Fund **overspend of £8.7m**, down £4.5m on the M6 projection of a £13.2m overspend. This significant improvement to the size of the projected overspend is largely due to spending freeze decisions to remove policy options relating to Empty Shops and Green Economy projects from the 2012/13 budget and the decision to take out the Efficiency Fund standing budget.

In order to set a firm foundation for future years it is important to understand the reasons for the in year budget problem. The current overspend is caused by eight factors:

- Rapid cuts in Government Grant not matched by commensurate cuts in the Revenue budget. One such example is a significant reduction in the Early Intervention Grant, which did not result in a reduction in services or staff.
- Income targets that had not been achieved have been increased each year to present a balanced budget. This amounts to around £4 million of income each year that cannot be collected. One long standing example is that of building control fees that have an income target that is £500, 000 above what has ever been achieved.

- Department budgets have been ‘top sliced’ often without the prior agreement of Chief Officers in order to present savings. Given that there has been no central strategy for meeting these budget reductions they have frequently not been achieved. Procurement savings have historically been allocated in this manner.
- Unfunded additional demographic demand. This amounts to £13.8million, made up of £8.7million relating to Adults, and £4.9 million in CYPD. This growth is beyond the Council’s control and should properly be accounted for in future budget projections.
- Policy changes not being made that would enable Chief Officers to allocated resources effectively. For example, recommendations from Officers to address a budget shortfall in the transport budget of £1.3 million were not accepted and no commensurate increase in the budget was allowed.
- Chief Officers not achieving projected savings that have already been removed from Departmental budgets.
- Departmental budgets have not been accurate for the reasons outlined above. Instead the Council has adjusted notional funding at the end of each financial year to present a balanced ‘bottom line’. As a result the culture of officer budget responsibility was weakened as Officers could not be held properly to account to deliver the undeliverable. Equally, the statutory provisions of S25 of the Local Government Act 2003, that require that estimates are robust, appear not to have been met;

Graph 1: Wirral Council – 2012/13 General Fund Variance, by month



2.3 In August, Cabinet instructed the Chief Executive and the Interim Director of Finance to instigate an emergency response, in the form of a spending freeze and review of all major areas of spend. This has reduced the level of overspend, however, the situation remains critical given a number of anticipated adverse changes which will increase the projected overspend in coming months. These include the outcome of the social services care home fees consultation and issues relating to debt recovery detailed later in this report.

CHANGES TO THE AGREED BUDGET AND VARIATIONS

- 2.4 The Budget for 2012/13 was agreed by Council on 1 March 2012 and is detailed in Appendix 2; any increase in the Budget has to be agreed by full Council. Changes to the budget have occurred since it was set and these are summarised in the table below. They presently comprise variations approved by Cabinet / Council and will in future include approved virements relating to the use of the Efficiency Investment Fund, reserves, any budget realignments to reflect any changes to the departmental structure and responsibilities, expenditure freeze decisions as well as any technical adjustments. These are detailed in Appendix 3.

Table 1: 2012/13 Original & Revised Net Budget analysed by Department

| | Original Net Budget | Approved Budget Virements Month 1-6 | Freeze Decisions Weeks 1-6 | Approved Budget Virements Month 7 | Revised Net Budget |
|------------------------------|---------------------|-------------------------------------|----------------------------|-----------------------------------|--------------------|
| | £000 | £000 | | £000 | £000 |
| Adult Social Services | 66,660 | -66 | -85 | -259 | 66,250 |
| Children & Young People | 73,665 | - | -172 | -195 | 73,298 |
| Finance | 24,610 | 93 | -493 | -2,482 | 21,728 |
| Law, HR & Asset Management | 13,901 | 274 | -54 | 787 | 14,908 |
| Regeneration, Hsg & Planning | 25,764 | 103 | -962 | 0 | 24,905 |
| Technical Services | 59,478 | 273 | -526 | -58 | 59,167 |
| Freeze Savings | - | - | 2,292 | - | 2,292 |
| Efficiency Fund | 0 | 0 | 0 | 2,207 | 2,207 |
| Net Cost of Services | 264,078 | 677 | 0 | -0 | 264,755 |

Note 1: the Month 7 virements reflect movement of posts and training budgets between departments relating to the centralisation of Human Resources and Organisational Development and the abolition of the Efficiency Fund held within the Finance Department, which will be added to general fund balances.

Note 2: also added to the general fund balances are the £10.5m Earmarked Reserves, released as a consequence of report 6 of the November 29 Cabinet.

- 2.5. The main report will only comment on large variations (Red and Yellow items). The 'variations' analysis distinguishes between overspends and underspends and the proposed 'risk band' classification is:

- Overspends - Red (over +£301k), Amber (+£141k to +£300k)
- Acceptable - Green (range from +£140k to -£140k)
- Underspends - Blue (-£141k to -£300k),
- Yellow (over -£301k)

Table 2: RAGBY Classification of 2012/13 Departmental Projected General fund Budget variations (Month 6 in brackets)

| Department | Number of Budget Areas | Red | Amber | Green | Blue | Yellow |
|-----------------|------------------------|---------------|--------------|----------------|--------------|--------------|
| Adults | 4 | 2 (2) | 0 (0) | 1 (1) | 0 (0) | 1 (1) |
| Children & YP | 7 | 3 (3) | 0 (1) | 1 (1) | 1 (0) | 2 (2) |
| Finance | 6 | 0 (0) | 0 (0) | 3 (4) | 1 (0) | 2 (2) |
| Law, HR & AM | 7 | 2 (2) | 0 (1) | 3 (3) | 1 (0) | 1 (1) |
| Reg, Hsg & Plan | 5 | 0 (1) | 0 (0) | 4 (3) | 0 (0) | 1 (1) |
| Technical Servs | 7 | 2 (2) | 0 (0) | 5 (5) | 0 (0) | 0 (0) |
| TOTAL | 36 | 9 (10) | 0 (2) | 17 (17) | 3 (0) | 7 (7) |

- 2.6 The reporting process identifies over or underspends and classifies them into risk bands. The projection is for a total potential General Fund overspend of £8.7m across the six Directorates for 2012/13, as set out in the table below, which records four departments on red and two on yellow (unchanged from M6).

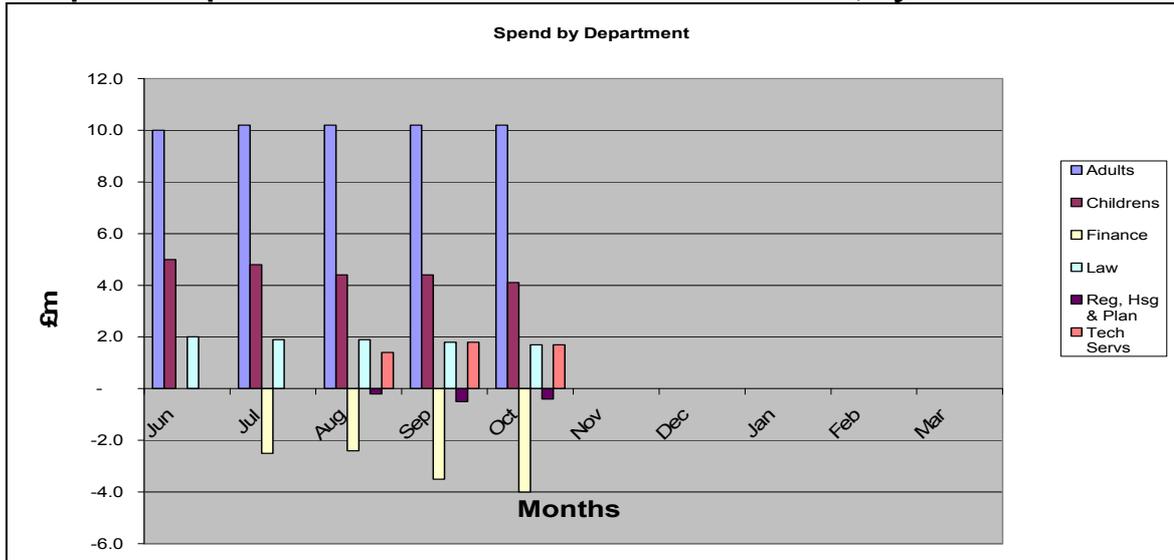
Table 3: 2012/13 Projected General Fund Budget variations by Department

| Department | Revised Budget | Forecast Outturn | (Under) Overspend Month 7 | RAGBY Classification | Month 6 (Under)/ Overspend | Change |
|-----------------|----------------|------------------|---------------------------|----------------------|----------------------------|---------------|
| | £000 | £000 | £000 | | £000 | £000 |
| Adults | 66,250 | 76,411 | 10,200 | R | 10,200 | - |
| Children & YP | 73,298 | 77,397 | 4,100 | R | 4,400 | -300 |
| Finance | 21,728 | 17,675 | -4,000 | Y | -3,500 | -500 |
| Law,HR & AM | 14,908 | 16,647 | 1,700 | R | 1,800 | -100 |
| Reg, Hsg & Plan | 24,905 | 24,413 | -500 | Y | -500 | - |
| Technical Servs | 59,167 | 60,881 | 1,700 | R | 1,800 | -100 |
| Freeze wks 1-2 | 2,292 | - | -2,300 | n/a | -1000 | -1,300 |
| Efficiency Fund | 2,207 | - | -2,200 | n/a | - | -2,200 |
| TOTAL | 264,755 | 273,424 | 8,700 | | 13,200 | -4,500 |

- 2.7 Within the various departments, there have been the following developments:

- **Adult Social Services** there is a potential overspend of £10.2m, unchanged since M6.
- **Children and Young People** there is a potential overspend of £4.1m, down £0.3m on M6.
- **Law, HR and Asset Management** there is a potential overspend of £1.7m, down £0.1m on M6.
- **Finance** is projecting a £4m underspend, an improvement of £0.5 million from M6. Cabinet 8 November approved the removal of the Efficiency Fund base budget which was a corporate budget held within Finance. This has been shown within a separate line.
- **Regeneration, Housing and Planning** are forecasting a £0.5m underspend which is unchanged from M6.
- **Technical Services** are forecasting a £1.7m overspend an improvement of £0.1m on M6.

Graph 2: Department – 2012/13 General Fund Variance, by month



2.8 To complete the analysis, the table below sets out the position by category of spend/income. The largest area of variance remains and supplies & services which incorporates the cost of care for adults and childrens.

Table 4: Projected Departmental Variations by Spend and Income

| | Reported Budget | Virements Month 6 | Revised Budget | Forecast Outturn | Variance | RAG BY | Change from Month 6 |
|---------------------------------|------------------|-------------------|------------------|------------------|---------------|--------|---------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Gross Expenditure | | | | | | | |
| Employees | 141,962 | -36 | 141,926 | 143,326 | 1,400 | R | -700 |
| Premises | 21,970 | -1,493 | 20,477 | 20,877 | 400 | R | -500 |
| Transport | 7,248 | -61 | 7,187 | 8,497 | 1,310 | R | -190 |
| Supplies and Services | 112,780 | 775 | 113,555 | 125,919 | 12,364 | R | 1,364 |
| Third Party Payments | 73,227 | -246 | 72,981 | 72,981 | | G | |
| Transfer Payments | 170,373 | 437 | 170,810 | 170,757 | -53 | Y | -53 |
| Support Services | 80,291 | 1,030 | 81,321 | 79,147 | -2,174 | Y | -2,174 |
| Financing Costs | 71,401 | -25 | 71,376 | 69,840 | -1,536 | Y | -136 |
| Schools Expenditure | 442,596 | - | 442,596 | 441,196 | -1,400 | Y | - |
| Total Expenditure | 1,121,848 | 381 | 1,122,229 | 1,132,540 | 10,311 | | -2,389 |
| Gross Income | | | | | | | |
| Schools Income | 439,851 | - | 439,851 | 438,451 | 1,400 | R | - |
| Government Grants | 211,766 | 970 | 212,736 | 214,886 | -2,150 | Y | |
| Other Grants and Reimbursements | 17,810 | -41 | 17,769 | 20,419 | -2,650 | Y | -2,250 |
| Customer / Client Receipts | 45,838 | 79 | 45,917 | 43,117 | 2,800 | R | 1,160 |
| Interest | 1,005 | - | 1,005 | 1,198 | -193 | G | -93 |
| Recharge Other Rev A/c | 140,823 | -627 | 140,196 | 140,996 | -800 | Y | -910 |
| Total Income | 857,093 | 381 | 857,474 | 859,067 | -1,593 | | -2,093 |
| Net Expenditure | 264,755 | - | 264,755 | 273,473 | 8,718 | | -4,482 |

2.9 Schools expenditure is funded from the Dedicated Schools Grant. As this grant is ringfenced any over/underspend will not impact on the General Fund financial position.

- 2.10 A number of virements have been made in the month. Exercises to realign budgets have taken place within a number of departments with a review of the treatment and classification of recharges leading to movement in budgets between premises and support service categories.

RAGBY REPORTING AND OTHER ISSUES

- 2.11 The Red and Yellow RAGBY issues that are the subject of corporate focus are detailed in the following sections by Business Area (by Department identifying the service) and then by Subjective Area (by the type of spend / income). The Business Areas are defined as the high level Objective Summary as per the Council Estimates (Blue Book).

2.12 Business Area Reds

Adult Social Services: Two of the Department's Business Areas are reported as red (unchanged from month 6); Personnel Assessment and Planning; and Personal Support. A forecast overspend of £10.2 million remains forecast for the department. The issues involve underlying pressures in Community Care, shortfall in 2011/12 re-provision and unachieved income which total £6.55 million. There is slippage across a number of savings targets including market review £1.6 million, corporate EVR/VS £1.35 million and £0.7 million relating to staff savings targets

Children and Young People: Three of the Department's Business Areas are flagged as red (unchanged from month 6) with a £4.1 million overspend forecast for the department. The red areas are Children's Services, the Integrated Transport Unit and Capital and Support Services. Children's Services pressures relate in the main to social care costs and case numbers. The Children's Services overspend has remained static in the month. A reduction of £200,000 regarding youth offending has been offset by increased agency and fostering costs. Transport is provided by the department on behalf of all departments and the projected overspend has reduced by £0.1 million to £1.1m reflecting the result of the contract review and streamlining of routing. Capital and Support Services is overspending due to difficulties in achieving vacancy control targets which are held within this area.

Law, HR and Asset Management: Two areas remain flagged red (as per month 6) with a forecast overspend of £1.7m. The red areas are Asset Management and Human Resources. Both of these areas continue to report issues regarding the non-achievement of savings across a number of activities. These include business transformation and terms and conditions within Human Resources and facilities management, office rationalisation and asset disposal under Asset Management.

Regeneration, Housing and Planning: Strategic Development which was previously flagged as red due to shortfalls on income within Planning and Building Control has moved to green due to additional savings having been identified.

Technical Services: Two areas are flagged as red (unchanged on month 6). These are Parks and Open Spaces where income from golf and from cemeteries and crematoria is projected to be significantly underachieved and Engineers where shortfalls in car parking income and income relating to inspection and alteration of highways is significantly below target.

Schools: The authority remains in discussion with the Department for Education regarding the possible loss of £1.4 million of grant for schools. Table 4 reflects a potential loss of grant with a corresponding reduction in schools expenditure.

2.13 Business Area Yellows

Adult Social Services: one area, Finance and Performance is flagged as yellow. Some of this budget is to be allocated against the Community Care budget area.

Children and Young People: Two areas remain flagged as yellow, LEA School Costs and Non-School Costs. LEA School Costs reflect the receipt of additional refund of deducted grant and fees in respect of Academies plus general expenditure savings. The non school variance is due to savings relating to Connexions expenditure and receipt of a Troubled Families Grant.

Finance: Two areas are flagged as yellow. Financial Services reflects savings on Treasury Management; lower borrowing costs and higher than forecast investment returns will provide benefit of £1.5m. Benefits and Revenue Services are forecast to provide a further £1m of savings from additional grant receipts and £0.5 million relating to staffing savings through vacancy control.

Law, Human Resources and Asset Management: One new area Regulatory Services is flagged up as yellow for month 7. The variation is due to higher than anticipated income for Community Patrol services and the Fair Trading scheme combined with an underspend within Environmental Health transport costs.

Regeneration, Housing and Planning: Housing and Regeneration Services are forecasted at yellow due to variances on Staff savings from recharges to projects and savings on regeneration implementation costs.

2.14 Subjective Area Reds

Employees. Departments have been allocated additional vacancy control targets for 2012/13 whilst for Adults there remains the achievement of savings expected from the Early Voluntary Retirement / Voluntary Severance Scheme. There are also savings targets under Employees Terms and Conditions and Business Transformation change projects which have yet to be progressed. The freeze decision regarding local pay and savings within Finance Department have helped to reduce the level of projected overspend within this area.

Premises. This relates to the delivery of savings under the rationalisation of office accommodation which is not progressing in accordance with the expected timetable. A number of freeze decisions and restrictions on highways spending have helped to reduce the projected overspend.

Transport. The Integrated transport unit is managed by Children & Young People and the budget continues to be under pressure as a consequence of the demands in respect of Adults Services and Special Education Needs, although there has been a reduction in the forecast overspend this month. There is also a projected overspend of £0.3m on the social workers car allowances budget.

Supplies and Services. The variation is mainly comprised of pressures within Adult Social Services and Children & Young People relating to care service costs. There is an increase in this month's forecast which is partly due to the disaggregation of expenditure funded from health grants which have led to a corresponding increase within the other grant income line.

Schools Income: Discussion has taken place with the Department for Education regarding potential loss of schools grant. Any shortfall will be met by a corresponding decrease in schools expenditure.

Customer and Client Receipts. This mainly reflects likely income shortfalls within a number of departments. Areas forecasting to underachieve budget include, car parking, Cultural Services, cemeteries and crematorium fees, highways inspection and alteration fees, building control and planning and social services fees.

As a result of the challenge process, a major risk has been brought to the attention of the Chief Executive and Interim Director of Finance concerning the reliability of fees and charges income, going back many years. It is clear from a system review of Social Services debt collection, that the process to enforce the payment of amounts owing is deficient. The process only consists of the production of reminder letters, with no recourse to the courts and enforcement to ensure payment. Officers have urgently put in place a system to ensure ongoing income is recovered, by implementing agreed policy, and to establish the exact size of the unrecoverable debt. A special team has been assembled to undertake this work over a 2 week period.

2.15 Subjective Area Yellows

Government Grants. The Authority is forecasting an increased level of Housing and Council Tax Benefit grant receipts and Troubled Family Grant.

Other Grants and Reimbursements: This includes additional monies received including in respect of Academy funding plus monies from health which are partly funding the increased community care costs within the supplies and services line.

Recharge to other revenue Accounts: This variance is mainly due to the receipt of supporting people monies within DASS which is being used to fund care costs within supplies and services.

MANAGEMENT ACTIONS

- 2.16 The Departmental Directors and the Executive Team continue to seek to identify actions to keep spend within the Budget allocated – these actions are detailed in Appendix 4. Besides the normal Management actions to address the financial pressures, the spending freeze was implemented by Cabinet on 6 September 2012 and agreed decisions are reflected within the tables above.
- 2.17 A number of items have been identified as recurring issues, such as the inability to meet income targets in cultural services and car parking. An exercise has been undertaken to review the accuracy of budgets, in order to:
- Identify short-term funding for 2012/13, if there is a net increase in cost; and,
 - As part of compiling next year’s budget, propose growth or savings to ensure that the budget inaccuracies are corrected and budgets are soundly based,
- a parallel review of Earmarked Reserves has been undertaken together with a review of the requirements of the 2012/13 policy options. Cabinet 8 November also agreed to remove the Efficiency Fund base budget and replace with a self replenishing fund initially funded from reserves.
- 2.18 A series of actions is being undertaken to produce a further reduction in the overspend in coming months. Future monitors will also include additional savings from the HR freeze process.

FREEZE PROCESS AND OUTCOMES

- 2.19 The Freeze process was agreed on September 6 and developed further as reported in the month 5 monitor. Adjustments of £2,291,867 have been incorporated into the current monitoring forecast representing decisions made by Cabinet on 18 October and 8 November.
- 2.20 The whole point of the exercise is to reduce the projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council, that is, all its Members. No items have been recommended under the revenue freeze process this month
- 2.21 An analysis by department of the freeze items so far agreed is detailed in the following table.

Table 5: Freeze savings analysed by department

| Description | DASS | CYP | Finance | LAWHRAM | RHP | Tech Serv | Total |
|-----------------|---------------|----------------|----------------|---------------|----------------|----------------|------------------|
| | £ | £ | £ | £ | £ | £ | £ |
| Weeks1-7 | 85,038 | 171,871 | 492,900 | 54,158 | 961,586 | 526,314 | 2,291,867 |

3 RELEVANT RISKS

3.1 The possible failure to deliver the Revenue Budget will be mitigated by the monthly review by Chief Officers, charged with improving performance. There are a number of risks that may impact adversely on the forecast expenditure for the remaining months of the year including:-

- Individual budgets may turn out to be unsound, for the excess of codes has given scope to behaviours that have spread expenditure over inappropriate budgets;
- Increased demand for services, particularly within Adult and Children's Social Care Services, where greater than forecast numbers coming into care services can impact significantly on financial forecasts. Cabinet on 18 October 2012 also considered a report on fees for residential and nursing home care. A consultation is currently taking place on three options which could result in a nil increase (which would risk a legal challenge) or increased costs of £757,473 or £1,401,942 over a full financial year.
- The impact of the economic downturn significantly affects both the demand for services and also levels of income, such as fees and charges and arrears collection. This report already forecasts a potential under recovery of fees and charges which may need to be revised if the economic downturn was to worsen.
- The Council's arrangements for the implementation of a new pay and grade structure under Single Status are progressing and an earmarked reserve for the costs of implementation has been established. There remains uncertainty as to the likely final costs.
- There are budget saving options still to be delivered and these are detailed in Appendix 5. Those yet to be delivered are reflected in the forecast overspends of the Departments.
- There are a number of significant issues regarding outstanding debt owed to the Council which may result in increased costs if these costs are deemed to be irrecoverable.

4 OTHER OPTIONS CONSIDERED

4.1 Options are included for Cabinet to consider on increasing the level of the General Fund balance.

5 CONSULTATION

5.1 No consultation has been carried out in relation to this report.

6 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 As yet there are no implications for voluntary, community or faith groups.

7 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

- 7.1 The agreed level of General Fund balance was set at £6m, as part of the March budget decision. The November 29 Cabinet revised the policy level so that it is set in relation to the risks the Council faces. For 2012/13 it has been calculated at £12.5m, and for 2013/14 at £21.1m. However there are a number of areas which could result in adverse future pressures on the budget and the General Fund Balance, in particular the emerging concern as to the reliability of fees & charges income, going back many years.

Table 6: SUMMARY OF THE PROJECTED GENERAL FUND BALANCES

| Details | £m | £m |
|--|-------|-------|
| Projected balance 31 March 2013 when setting the Budget 2012/13 | | 8.8 |
| Add : Increase following completion of 2011/12 accounts | +2.0 | |
| Add : Council Tax re-imburement met in 2011/12 rather than budgeted 2012/13 | +3.9 | |
| | | 14.7 |
| Less : Cabinet decisions since the 2012/13 Budget was agreed | -0.7 | |
| Add : Cabinet decision September 6 to release Earmarked Reserve | +7.0 | |
| Cabinet decision November 29 th to further release Earmarked Reserves | +10.5 | +16.8 |
| Less : Potential overspends, at M7 (includes Efficiency Fund removal) | | -8.7 |
| Projected balance 31 March 2013 | | 22.8 |

- 7.2 The current levels of Earmarked Reserves are shown in Table 7 with a full listing included at Appendix 6.

Table 7: Earmarked Reserves 2012/13

| | Balance at 1 April 2012 £000s | Movement in year £000s | Current Balance 31 Oct 2012 £000s |
|-------------------------------------|-------------------------------------|------------------------------|---|
| Housing Benefit Reserve | 11,155 | (2,000) | 9,155 |
| Insurance Fund | 9,635 | (529) | 9,106 |
| Working Neighbourhoods Fund | 7,959 | (7,073) | 886 |
| Debt Restructuring Fund | 7,941 | - | 7,941 |
| Grant Reserves | 1,884 | (300) | 1,584 |
| Management of other risks | 32,530 | (9,558) | 22,972 |
| School Balances and Schools Related | 15,144 | (280) | 14,864 |
| Total Reserves | 86,248 | (19,740) | 66,508 |

Note: Cabinet on 6 September 2012 agreed to release £7m of an Earmarked Reserve (Working Neighbourhood Fund), and on 29 November 2012 agreed to release various additional reserves, totalling £12.505m.

8 LEGAL IMPLICATIONS

- 8.1 The whole report concerns the duty of the Council to avoid a budget shortfall as outlined at paragraph 2.20. This not just an academic exercise in balancing the books. The chief finance officer of is under a personal duty under Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

- 8.2 If the chief finance officer reports that there are insufficient resources to meet expenditure, the Council is prevented from entering into any new agreement which may involve the incurring of expenditure at any time by the authority, until the report is considered, and if the problem is ongoing until it is resolved. It is remarkably broad in its prohibition of new agreements, no matter what their scale. It would not only prevent the authority from hiring new staff or letting new construction contracts, but from ordering minor office supplies.

9 EQUALITIES IMPLICATIONS

- 9.1 An Equalities impact assessment is attached to this report. This is essentially a monitoring report which reports on financial performance. However any budgetary decisions including freeze recommendations need to be assessed for any equality implications.

10 CARBON REDUCTION IMPLICATIONS

- 10.1 There are no implications arising directly from this report.

11 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 There are no implications arising directly from this report.

12 RECOMMENDATIONS

- 12.1 Cabinet is asked to note that:

- a) At Month 7 (October 2012), the full year forecast projects a potential General Fund overspend of £8.7m;
- b) A review of over/underspends and Earmarked Reserves has been undertaken, reported to the November 29th Cabinet and incorporated into this report;

- 12.2 The Cabinet is asked to note

- a) that there were no rejected freeze items in the month. Appendix 7 lists the items considered as part of the process.
- b) A major risk has just recently emerged concerning the reliability of fees & charges income, going back many years. Corrective action is being taken to maximise recovery. As better information becomes available, there will be further reports regarding this serious matter.

13 REASONS FOR THE RECOMMENDATIONS

- 13.1 The Council, having set a Budget at the start of the financial year needs to ensure that the delivery of this Budget is achieved. This has to be within the allocated and available resources to ensure the ongoing financial stability of the Council. Consequently there is a requirement to regularly monitor progress so that corrective action can be taken when required which is enhanced with the monthly reporting of the financial position.

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APPENDICES

- Appendix 1 Revenue Monitoring and Reporting Timetable 2012/13.
- Appendix 2 General Fund Revenue Budget for 2012/13 agreed by Council.
- Appendix 3 Changes to the Budget 2012/13 since it was set.
- Appendix 4 Management actions
- Appendix 5 Progress on delivering agreed savings 2012/13
- Appendix 6 Earmarked Reserves – General Fund
- Appendix 7 Freeze outcomes, weeks 7 - 10

SUBJECT HISTORY

| Council Meeting | Date |
|--|-------------|
| Revenue monitoring reports have previously been submitted as part of the Performance & Financial Review presented to Cabinet on a quarterly basis and from September 2012 are being submitted monthly. | |

REVENUE MONITORING AND REPORTING TIMETABLE 2012/13

Budget Monitoring Timetable 2012/13

| Period Number | Month | General Ledger Updated and Reports Available To Be Produced | Review by Departmental Teams | Reports Available For The Executive Team | Reports Available For Cabinet | Reports Available For Council Excellence Overview & Scrutiny Committee |
|---------------|-----------------------|---|------------------------------|--|-------------------------------|--|
| | | | Monthly | Monthly | Monthly | Quarterly |
| 1 | April | 06-May | - | | - | - |
| 2 | May | 11-Jun | - | | - | 04-Jul |
| 3 | June | 06-Jul | - | 23-Aug | 06-Sep | 01-Oct |
| 4 | July | 07-Aug | - | 04-Oct | 18-Oct | - |
| 5 | August | 07-Sep | tbc | 04-Oct | 18-Oct | - |
| 6 | September | 05-Oct | tbc | 25-Oct | 08-Nov | 27-Nov |
| 7 | October | 07-Nov | tbc | 29-Nov | 13-Dec | - |
| 8 | November | 07-Dec | tbc | 03-Jan | 17-Jan | - |
| 9 | December | 08-Dec | tbc | 24-Jan | 07-Feb | 26-Mar |
| 10 | January | 07-Feb | tbc | 28-Feb | 14-Mar | - |
| 11 | February | 07-Mar | tbc | tbc | tbc | tbc |
| 12 | Outturn (Provisional) | tbc | tbc | tbc | tbc | tbc |

GENERAL FUND REVENUE BUDGET 2012/13

AGREED BY COUNCIL ON 1 MARCH 2012

| Department | Current Budget |
|------------------------------------|-----------------------|
| Expenditure | £000 |
| Adult Social Services | 66,660 |
| Children & YP (plus Schools) | 73,665 |
| Finance | 24,610 |
| Law, HR and Asset Mgt | 14,151 |
| Regeneration, Housing and Planning | 25,764 |
| Technical Services | 59,905 |
| Merseytravel | 29,060 |
| Local Pay Review + Low Pay | 248 |
| EVR/VS Scheme | (290) |
| Council Tax Reimbursement | 3,990 |
| Contribution from Balances | (10,282) |
| Budget Requirement | 287,481 |
| | |
| Income | |
| Government Grant | 144,737 |
| C/Tax Freeze Grant | 6,573 |
| Local Services Grant | 1,805 |
| Council Tax | 132,911 |
| Collection Fund | 1,455 |
| Total Income | 287,481 |
| | |
| Statement of Balances | |
| As at 1 April | 18,405 |
| Contributions from Balances | (9,605) |
| Balances | 8,800 |

**CHANGES TO THE BUDGET AGREED SINCE THE 2012/13 BUDGET WAS SET
RELATING TO THE COMPLETION OF THE 2011/12 ACCOUNTS**

| Cabinet | Items | £m |
|-----------|---|-------------|
| 21 Jun 12 | 2011/12 Financial Outturn report resulted in an improvement in balances due to a net underspend in the year | -5.9 |
| | OVERALL IMPACT OF THESE DECISIONS | -5.9 |

VARIATIONS TO THE APPROVED BUDGETS 2012/13

| Cabinet | Items | £m |
|-----------|---|------------|
| 29 Mar 12 | Pacific Road Theatre – Law/Technical Services Increase budget | +0.6 |
| 12 Apr 12 | Streetscene Contract Review - Increase budget | +0.1 |
| | OVERALL IMPACT OF THESE DECISIONS | 0.7 |

VIREMENTS BELOW LEVEL REQUIRING CABINET APPROVAL

| Cabinet | Items | £m |
|---|---|-------|
| The following adjustments have no bottom line impact on the authority budget: | | |
| n/a | Adjustment of Community Asset Transfer capital financing budget from LawHRAM to Finance | 0.077 |
| n/a | Employee budget transferred from LawHRAM to HRP | 0.034 |
| n/a | Employee budget transferred from Technical Services to LawHRAM | 0.035 |
| n/a | Technical Services reallocation of Internal Savings Targets within budget lines | 1.4 |
| n/a | Reallocation of Home Insulation Works within Regeneration, Housing and Planning between Supplies and Services category and Third Party payments | 1.1 |
| n/a | Movement of posts between departments relating to Building Control, Welfare Rights and Community Services personnel. The housing benefit review increase claims (transfer payments) and associated grant of £7.3 million, the reclassification of DASS transport recharge from transport to support services and adjustments for financing costs and grant receivable relating to regeneration schemes. | |

MANAGEMENT ACTIONS

ACTIONS TAKEN BY THE EXECUTIVE TEAM / DEPARTMENTAL DIRECTORS TO REDUCE SPEND / INCREASE INCOME

| Department | Items | £000 |
|------------|--|-------|
| Children | Connexions – Further reductions in the contract costs (in excess of the agreed savings target) | 500 |
| | Troubled Families –Successful submission for Government Grant which will help meet some of the existing costs. | 250 |
| | Academies – Increased income being achieved through a review of charges to academies for services provided. | 100 |
| | Academies – additional monies received from refund of 'top slice from Department for Education | 150 |
| All | Reviews of on going expenditure across all departments | tbc |
| DASS | Review of all voluntary sector contracts | tbc |
| DASS | Overarching commissioning strategy developed | tbc |
| All | Spending freeze weeks 1-2 | 1,000 |
| | Total savings from these actions | 2,000 |

PROGRESS ON DELIVERING THE AGREED SAVINGS 2012/13 £000's

| Department | 16,441 | Comments / progress on implementation | RA GB Y | 4,732 | 1,519 | 10,190 |
|------------------------------|--------|--|---------------|-------|-------|--------|
| | 100% | | | 28.8 | 9.2 | 62.0 |
| DASS | | | | R | A | G |
| Commissioning Of Services | 1,600 | The Department is currently reviewing how services are commissioned to deliver savings of £1.6m. An overarching commissioning strategy has been developed and was presented to 21 June Cabinet | R | 1,600 | | |
| Prevention Services | 500 | The Department is currently undertaking a review of all voluntary sector contracts and is seeking to re-commission this activity at a more efficient cost. | R | 500 | | |
| Employee Budgets 2% | 400 | This saving is in addition to the Department's existing staff turnover target of £496,100. The shortfall against the total target of £896,100 is estimated at £700,000. | R | 400 | | |
| Procurement | 26 | It is anticipated that this saving will be achieved | G | | | 26 |
| Austerity – Supplies | 24 | It is anticipated that this saving will be achieved | G | | | 24 |
| EVR Scheme | 17 | Saving have been achieved in full | G | | | 17 |
| CHILDREN & YOUNG PEOPLE | | | | | | |
| Early Intervention Grant | 1,000 | Has been achieved | G | | | 1000 |
| Employee Budgets 2% | 750 | Progress remains difficult, with pressures on Social work. | R | 750 | | |
| EVR Scheme | 386 | Staff who left were from self funded areas, so no budget saving possible. | R | 386 | | |
| Connexions contract | 250 | Achieved, with a further £500k contract saving. | Y | | | 250 |
| Schools Intervention Funding | 250 | Achieved | G | | | 250 |
| Procurement | 246 | Allocated across Social Care | R | 246 | | |
| Austerity – Supplies | 16 | Will be achieved within expenditure controls | G | | | G |
| FINANCE | | | | | | |
| Efficiency Investment Budget | 2,500 | The Efficiency Investment Budget has been reduced | G | | | 2,500 |
| Housing Benefit | 1,200 | This has been built into HB budgets | G | | | 1,200 |
| IT and Printing Services | 550 | This is part of the departments strategic savings target | A | | 550 | |
| Employees Budget 2% | 520 | This is part of the departments strategic savings target | A | | 520 | |
| EVR Scheme | 343 | This is part of the departments strategic savings target | G | | | 343 |
| Procurement | 189 | This is part of the departments strategic savings target | A | | 189 | |

| | | | | | | |
|-------------------------------|-------|---|---|-----|-----|-------|
| Austerity – Supplies | 8 | This saving has been built into departmental budgets | G | | | 8 |
| LAW,HR,ASSET MGT | | | | | | |
| Facilities Management | 500 | £250k achieved through the reduction in Maintenance budgets, the balance remaining is to be identified. | R | 250 | | 250 |
| Business Transformation | 300 | Target will not be achieved in 2012/13 | R | 300 | | |
| Employee Terms & Conditions | 300 | Target will not be achieved in 2012/13 | R | 300 | | |
| Employee Budgets 2% | 260 | Currently on target to be achieved in year. | A | | 260 | |
| Office Rationalisation | 260 | Achieved | G | | | 260 |
| Disposal of Assets | 100 | Achieved. | G | | | 100 |
| Procurement | 33 | Budgets reduced to reflect these savings. | G | | | 33 |
| Austerity – Supplies | 6 | Budgets reduced to reflect these savings. | G | | | 6 |
| REG,HSG & PLANNING | | | | | | |
| Broadband Facility | 1,075 | Achieved | G | | | 1,075 |
| Home Insulation Programme | 1,000 | Achieved | G | | | 1,000 |
| Employee Budgets 2% | 160 | On target to achieve | G | | | 160 |
| Supporting People Contracts | 150 | Achieved | G | | | 150 |
| Merseyside Info Service | 50 | Achieved | G | | | 50 |
| EVR Scheme | 13 | Achieved | G | | | 13 |
| Austerity – Supplies | 8 | Achieved | G | | | 8 |
| TECHNICAL SERVICES | | | | | | |
| Procurement | 745 | Currently anticipated to be achieved. Biffa contract part of this | G | | | 745 |
| Employee Budgets 2% | 380 | Currently anticipated to be achieved. | G | | | 380 |
| EVR Scheme | 150 | Currently anticipated to be achieved. | G | | | 150 |
| Street Lighting | 100 | Currently anticipated to be achieved. | G | | | 100 |
| Highways Administration | 80 | Currently anticipated to be achieved. | G | | | 80 |
| Austerity – Supplies | 12 | Currently anticipated to be achieved. | G | | | 12 |

EARMARKED RESERVES - GENERAL FUND

| Earmarked Reserves | Balance 1 April 2012 £000 | Movement In Year | Current Balance 31 Oct 12 £000 |
|--|------------------------------------|---------------------|---|
| Schools Balances | 11,767 | - | 11,767 |
| Housing Benefit | 11,155 | (2,000) | 9,155 |
| Insurance Fund | 9,635 | (529) | 9,106 |
| Working Neighbourhood Fund | 7,959 | (7,073) | 886 |
| Debt Restructuring | 7,941 | - | 7,941 |
| Minimum Revenue Provision | 4,400 | (4,400) | - |
| Community Fund Asset Transfer | 3,301 | - | 3,301 |
| Intranet Development | 3,161 | - | 3,161 |
| Local Pay review | 2,641 | - | 2,641 |
| One Stop Shop/Libraries IT Networks | 2,119 | - | 2,119 |
| Supporting People Programme | 1,505 | (400) | 1,105 |
| Cosyhomes Insulation | 1,244 | (800) | 444 |
| School Harmonisation | 1,241 | - | 1,241 |
| Stay, Work, Learn Wise | 908 | - | 908 |
| Schools Capital Schemes | 777 | - | 777 |
| Matching Fund | 558 | (558) | - |
| 20 MPH Zones | 550 | (500) | 50 |
| Home Adaptations | 537 | - | 537 |
| West Wirral Schemes | 530 | (300) | 230 |
| Merseyside Information Service | 500 | (500) | - |
| ERDF Match Funding | 500 | - | 500 |
| Strategic Asset Review | 495 | - | 495 |
| Planned Preventative Maintenance | 483 | - | 483 |
| Heritage Fund | 420 | (300) | 120 |
| Schools Automatic Meter Readers | 415 | - | 415 |
| Children's Workforce Development Council | 399 | - | 399 |
| Schools Contingency | 370 | - | 370 |
| Business Improvement Grant | 342 | - | 342 |
| Local Area Agreement Reward | 322 | - | 322 |
| Primary Care Trust Physical Activities | 300 | - | 300 |
| Schools Service IT | 294 | - | 294 |
| Schools Summer Term | 280 | (280) | - |
| Homeless Prevention | 271 | - | 271 |
| Other Reserves | <u>8,928</u> | <u>(2,100)</u> | <u>6,828</u> |
| | 86,248 | (19,740) | 66,508 |

Note : Cabinet on 6 September 2012 agreed to release £7m of an Earmarked Reserve (Working Neighbourhood Fund), and on 29 November 2012 agreed to release various additional reserves, totalling £12.505m.

Appendix 7

Revenue Freeze Executive Team November 1 2012 - Decisions

Week 7

| Dept | Ref | Project Title | Requested £ | Agreed £ | Suspend £ | Rejected £ | Reason for Recommendation |
|-------|-----|--|----------------|---------------|--------------|---------------|---|
| RHP | 93 | Joint Waste Local for M'side & Halton | 6,500 | 6,500 | | | Publication of statutory notices |
| DASS | 94 | Safeguarding Think Family Theatre Training | 5,760 | 5,760 | | | Training in safeguarding and Think Family Agenda for the wider social care network |
| CYP | 95 | Accredited Arts Activities | 8,845 | 8,845 | | | Early Intervention Grant funded project for 300 young people with a high level of additional needs. |
| CYP | 96 | KIDSTIME | 1,499 | 1,499 | | | Family based mental health project; 8 families already referred. |
| CYP | 97 | Universal Youth Support Service | 1,880 | 1,880 | | | Production of 35 procedure manuals on compliance & performance in Youth service to back up a wider distribution of a CD Rom |
| FIN | 98 | Finance, Benefits - Personal Finance Unit - gross cost £11k less grant of £8k, to provide wheelchair access for member of staff. | 3,011 | 3,011 | | | Access to Work scheme, |
| | | | <u>27,495</u> | <u>27,495</u> | <u>0</u> | <u>0</u> | |
| V Oct | | Percent | | | | | |
| 30 | | | <u>100.0</u> | <u>100.0</u> | <u>0.0</u> | <u>0.0</u> | |

Page 57

Revenue Freeze Executive Team November 8 2012 - Decisions

Week 8

| Dept | Ref | Project Title | Requested £ | Agreed £ | Suspend £ | Rejected £ | Reason for Recommendation |
|------|-----|---|----------------|---------------|--------------|---------------|---|
| DASS | 99 | Café - completion of heating works so that opening can proceed. | 432 | 432 | | | Health & Safety - higher rated circuit breaker required. |
| DASS | 100 | SWIFT client database system consultancy to provide a web based interface, to aid end users | 4,860 | | 4,860 | | Proposal has not been endorsed by IT and the 'significant staffing savings' have not been evidenced |
| RHP | 101 | Business Stats - Wirral Investment Strategy - licence for access to BRES survey data | 60 | 60 | | | So that monitoring of business sector is possible, which will inform the Investment Strategy. |
| CYP | 102 | Childcare Workforce Development - training courses for newly registering childminders | 24,164 | 24,164 | | | Statutory provision under the Early Years Foundation Stage. |
| | | | <u>29,516</u> | <u>24,656</u> | <u>4,860</u> | <u>0</u> | |
| | | Percent | <u>100.0</u> | <u>83.5</u> | <u>16.5</u> | <u>0.0</u> | |

Revenue Freeze Executive Team November 22 2012 - Decisions

Week 10

| Dept | Ref | Project Title | Requested £ | Agreed £ | Suspend £ | Rejected £ | Reason for Recommendation |
|----------|---------|--|----------------|-------------|--------------|---------------|---|
| RHP | 103 | Domestic Violence Homelessness Prevention Officer | 9,332 | 9,332 | | | A full time dedicated Domestic Violence/ Homelessness Officer required due to existing capacity diverted to dealing with increased statutory homeless. Funded from £247k reserve of SP & Homelessness Grant |
| CYP | 104 | Funding for Sandwich lunches for Children's Services | 330 | 330 | | | Provision of lunch for external partners |
| CYP | 105 | Transport | 1,847 | 1,847 | | | Repair of vehicle to increase sale value from £1,800 to £10,000; self funding |
| FIN | 106 | Customer Service Excellence - Annual Review | 2,100 | 2,100 | | | CSE, previously Charter Mark, is an accreditation that offers considerable comfort |
| FIN | 107 | Libraries | 12,326 | 12,326 | | | Software system subscription costs that are critical to delivering the Library service. |
| RHP | 108 | Community Infrastructure Levy & Local Development | 12,500 | 12,500 | | | Assessment study costs for Community Infrastructure Levy, and Local Development Framework; failure to implement will open the Council to legal challenge. |
| LHR | 109 | Committee Room Projector Replacement | 828 | 828 | | | Replacement of ceiling mounted projector in Ctt Rm 1 |
| | | | <hr/> | <hr/> | <hr/> | <hr/> | |
| | | | 39,263 | 39,263 | 0 | 0 | |
| V Nov 22 | Percent | | <hr/> | <hr/> | <hr/> | <hr/> | |
| | | | 100.0 | 100.0 | 0.0 | 0.0 | |

Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details: Peter Molyneux

EIA lead Officer: Peter Molyneux

Email address: petemolyneux@wirral.gov.uk

Head of Section: Tom Sault

Chief Officer: Peter Timmins

Department: Finance

Date: 28 November 2012

Section 2: What Council proposal is being assessed? **Revenue Monitoring (including freeze proposals)**

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes If 'yes' please state which meeting and what date
Cabinet 18 October 2012

Please add hyperlink to where your EIA is/will be published on the Council's website <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- ✓ **Services**
- ✓ **The workforce**
- ✓ **Communities**
- ✓ **Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- ✓ Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5: Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.
Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|---|---|---------------|-----------|--|
| All groups Page 62 | Budgetary overspends will result in requirement to reduce expenditure in year with consequences on communities and staff. Rational decision making to tackle issues will enhance good relations and minimise negative impacts | Budgetary control including regular monitoring, freeze procedures and budgetary reviews will assist in limiting impact | Peter Timmins | On Going | Budgetary overspends would require funding from resources |
| All groups | Reduction in expenditure from freeze proposals could impact on services delivered to communities | Freeze process includes exemptions for critical service areas. Process allows for business case to be submitted to exempt expenditure from freeze | Peter Timmins | On Going | Freeze proposals will assist enabling control of expenditure |
| | | | | | |

Section 5a: Where and how will the above actions be monitored?

Monthly monitoring report to Cabinet. This will include recommendations for approval of spending freeze decisions

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

Section 6: What research / data / information have you used in support of this process?

Budgetary forecast information

Page
63

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes / No – (please delete as appropriate) No

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why: Urgent decisions required to tackle budgetary position. Freeze proposals undergo review process and involve officers and members

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

Page 10 of 11

Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)

Include any potential positive impacts as well as negative impacts? (section 5)

Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?

Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?

WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|---|---|
| SUBJECT | CAPITAL MONITORING 2012/13– PERIOD 7 (OCTOBER) |
| WARD/S AFFECTED | ALL |
| REPORT OF | INTERIM DIRECTOR OF FINANCE |
| RESPONSIBLE PORTFOLIO HOLDER | COUNCILLOR PHIL DAVIES |
| KEY DECISION | YES |

1. EXECUTIVE SUMMARY

1.1 This report informs Members of the current position regarding the Council's 2012/13 to 2014/15 capital programme. The report reflects:

- The re-profiled 2012/13 capital programme budget which incorporates the decision made by Cabinet on 29 November 2012 to cease or reduce a number of schemes within the programme;
- The expenditure to date, which continues to be less than it should be;
- Request for a revision to the capital programme to reflect slippage of £2.632 million of schemes into the 2013/14 financial year
- Request for an increase in the programme of £0.3 million for schemes requiring no unsupported borrowing.
- The projected outturn figures for 2012/13, which suggest an underspend of £2.552 million on the revised programme.
- The current funding of the programme and its future affordability, which is subject to a review.

2. BACKGROUND AND KEY ISSUES

2.1 Cabinet on 6 September 2012, when considering the Month 3 monitors instituted a spending freeze, in the light of significant forecast revenue overspend and acknowledgement that unsupported capital financing contributes to revenue costs. Up to the report on 8 November Cabinet had considered the outcome of the first six weeks of the freeze. Additional freeze items that have been considered since week six are the subject of a separate report to this Committee and are not included in the current monitoring report.

2.2 The Council's capital programme is subject to a monthly review by a senior group of officers who form the Capital Steering Group, each project will be scrutinised as follows:

- Project approvals for financing, delivering corporate outcomes and delivery timetable;

- Financial appraisals for funding and ongoing revenue costs
- Spend profiles against delivery timetable
- End of project reviews;
- Delivery of Asset Management Plans and overall strategy.

2.3 ORIGINAL AND PROPOSED CAPITAL PROGRAMME FOR 2012/13

2.3.1 The capital budget for 2012/13 is subject to change. The Period 6 monitor detailed slippage of £34 million carried forward from 2011/12 plus an additional overall in year reduction of £10.4 million reflecting changes to slippage and revised programme approvals. Table 1 summarises the overall movement between that already approved and changes to Period 7 that require approval.

Table 1: Revised Capital Programme 2012/13 Period 7 (October) £000's

| | Capital Strategy | Changes approved by Cabinet | Budget change to be approved by Cabinet | Revised 2012/13 Capital Programme |
|----------------------------------|------------------|-----------------------------|---|-----------------------------------|
| Adult Social Care | 2,750 | -2,025 | 0 | 725 |
| Children's & Young People | 21,481 | 1,038 | 0 | 22,519 |
| Finance | 0 | 507 | 75 | 582 |
| Law, HR & Asst Management | 4,000 | 438 | -315 | 4,123 |
| Regeneration, Housing & Planning | 6,079 | 7,511 | 0 | 13,590 |
| Technical Services | 7,668 | 4,770 | -2,317 | 10,121 |
| Total Expenditure | 41,978 | 12,239 | -2,557 | 51,660 |

2.3.2 A summary of the significant changes to be approved by Cabinet for Period 7 are provided below:

Request for slippage to the 2012/13 Programme

A number of requests are included for slippage to the programme. These include:

Law, HR and Asset Management.

- The following schemes are currently uncommitted:
- Rock Ferry Centre – work unlikely to commence until January 2013 with anticipated slippage of £0.315 million;

Technical Services

- The purchase of parks plant and equipment has been delayed. Estimated expenditure of £2.317 million will now be incurred in 2013/14.

Request to increase the 2012/13 programme

Finance

- Approval is required to include £0.3 million for Moreton Library and One Stop Shop within the capital programme following Cabinet decision on 8 November that the expenditure could be incurred. This scheme involves no unsupported borrowing and £0.075 million will be incurred in 2012/13 and £0.225 in 2014/15.

2.3.3 Cabinet on 29 November 2012 agreed to the removal or reduction of over £30.7 million of schemes from the 2012/15 capital programme. Details of these schemes are contained within Appendix 2 of this report. This decision will produce a saving of £2.3 million in financing costs in the years 2013/14 to 2015/16. An analysis of the split of the change across years and by source of financing is shown below.

Table 2 : Reduction in the Capital Programme / Reductions in Funding

| | 2012/13 | 2013/14 | 2014/15 | Total |
|----------------------------|---------------|---------------|--------------|---------------|
| | £000 | £000 | £000 | £000 |
| Programme Reduction | 11,475 | 14,015 | 5,265 | 30,755 |
| Funding | | | | |
| Unsupported Financing | 8,230 | 11,100 | 3,800 | 23,130 |
| Invest-To-Save | 2,275 | 400 | 0 | 2,675 |
| Grant | 970 | 2,515 | 1,465 | 4,950 |
| Funding Reductions | 11,475 | 14,015 | 5,265 | 30,755 |

2.4 **ACTUAL SPEND TO DATE – IS THE PROGRAMME BEING DELIVERED TO PLAN?**

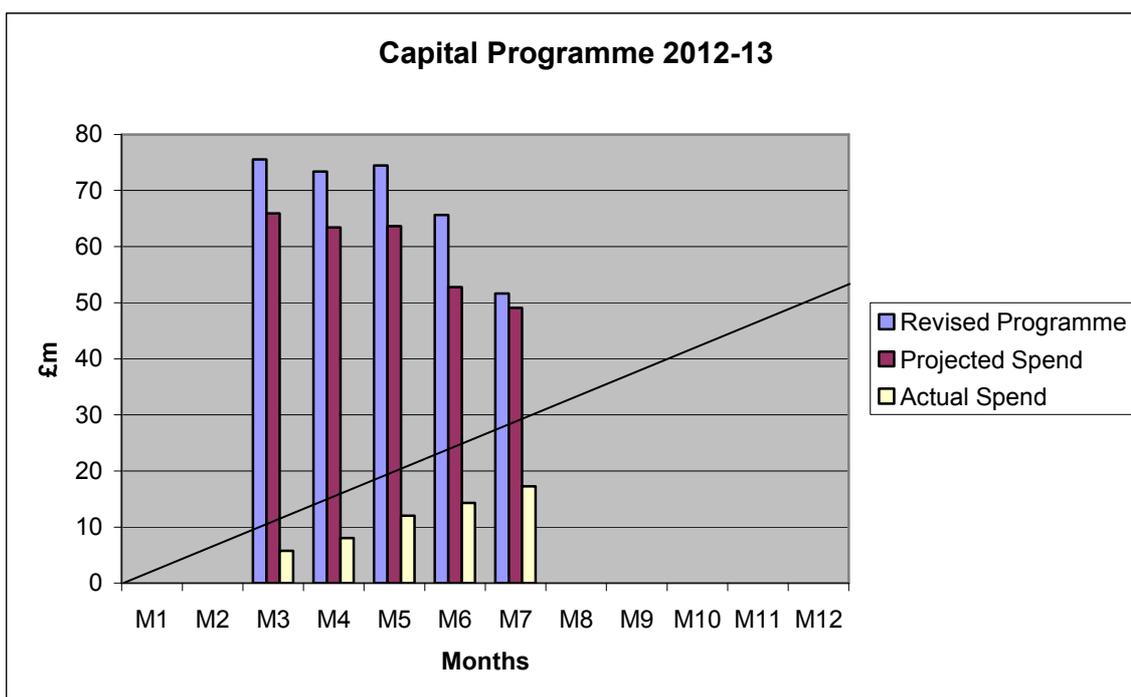
2.4.1 The actual capital expenditure at Period 7 is £17.3 million, which represents 33.4% of the revised capital programme budget, with 58% of the financial year having elapsed.

Table 3: Spend to date April to October (7/12 = 58%)

| | Spend to date | |
|----------------------------------|---------------|-------------|
| | £,000's | Per cent |
| Adult Social Care | 55 | 7.6 |
| Children's & Young People | 8,816 | 39.1 |
| Finance | 18 | 3.0 |
| Law, HR & Asset Management | 1,403 | 34.0 |
| Regeneration, Housing & Planning | 4,015 | 29.5 |
| Technical Services | 2,972 | 29.4 |
| Total Expenditure | 17,279 | 33.4 |

2.4.2 The Period 7 figures include an additional £2.982 million of expenditure incurred during the month. The level of expenditure however continues to be less than anticipated with only 33.4% of the programme expended after 7 months. An element of this can be explained by the time lag between work being completed and invoices then being raised by contractors and then paid by the authority. The reduction in the programme agreed by Cabinet of 29 November 2012 has reduced the gap between the profiled percentage and actual percentage spend figure.

Chart 1: Capital Programme spend below line of best fit



2.4.3 A Capital Steering Group has been established and has examined current and future schemes. The recommendations of the group were reported and approved by to Cabinet on 29 November 2012 and are incorporated within this report as they help provide a more update forecast. This will also result in a more accurate programme and improve the correlation between programme and actual expenditure.

2.4.4 A financial risk regarding costs and delays with the Pensby/Stanley School build within the Children and Young People’s capital programme was reported to Cabinet on 21 June 2012. Discussions are continuing with the contractor regarding the financial issues. A future report to Cabinet will provide further detail regarding any financial implications once quantified.

2.4.5 The likely outturn would be in the region of £49.1 million, not the £51.7 million planned. Table 4 sets out the variations derived from returns submitted from Departments.

Table 4: Projected Outturn compared to Revised Budget £000's

| | Revised | Projected | Variation |
|---|---------------|---------------|---------------|
| | Budget | Outturn | |
| Adult Social Care | 725 | 725 | 0 |
| Children's & Young People | 22,519 | 22,519 | 0 |
| Finance | 582 | 575 | -7 |
| Law, HR & Asset Management | 4,123 | 4,254 | 131 |
| Regeneration, Housing & Planning | 13,590 | 11,107 | -2,483 |
| Technical Services | 10,121 | 9,928 | -193 |
| Total Expenditure | 51,660 | 49,108 | -2,552 |

2.5 FINANCING OF THE CAPITAL PROGRAMME

2.5.1 Table 5 summarises the financing sources and changes made to Period 6. The major changes since the capital programme was approved in March are slippages of funding following closure of the 2011/12 programme, changes in grant funding as reported in previous Cabinet reports and re-profiling of financing to 2012/13. The decision of Cabinet on 29 November 2012 to reduce or cease over £30.55 million of schemes from the programme are also included within this report. The period 7 amendments reflect requested slippage from 2012/13 to 2013/14 and a scheme inclusion request as outlined in para 2.3.2 above.

Table 5: Revised Capital Programme Financing 2012/13 £000's

| Capital Programme | Capital Strategy | Changes approved by Cabinet | Budget changes to be approved by Cabinet | Revised 2012/13 Programme |
|--|------------------|-----------------------------|--|---------------------------|
| Unsupported Borrowing | 9,035 | 7,097 | -2,947 | 13,185 |
| Grant – Education | 20,181 | 266 | 0 | 20,447 |
| Grant – Integrated Transport | 1,155 | 5 | 0 | 1,160 |
| Grant – Local Transport Plan | 2,958 | 0 | 0 | 2,958 |
| Grant – Local Sustainable Transport Fund | 0 | 676 | 0 | 676 |
| Grants – Other | 5,349 | 2,452 | 0 | 7,801 |
| Capital Receipts brought forward | 3,000 | 0 | 0 | 3,000 |
| Revenue Contributions | 300 | 1,743 | 390 | 2,433 |
| Total Financing | 41,978 | 12,239 | -2,557 | 51,660 |

2.5.2 Where there is a “cocktail” of funding to a scheme, the Council maximises the use of grant and other external resources before using its own receipts and borrowing. Capital receipts are used to minimise the impact on the revenue budget by being applied to schemes which would require a relatively significant minimum revenue provision to be made.

2.6 PROJECTED LONGER TERM CAPITAL PROGRAMME

2.6.1 Funding for the forecast 2012/13 to 2014/15 capital programme is shown in Table 6. This has been updated since the 2012/13 to 2014/15 Capital Programme Report was submitted to Council. It reflects decisions previously taken by this Committee regarding further slippage and approval of additional grant resources. Both the 2012/13 and 2013/14 financing forecasts have also been updated to reflect the variations requested for approval in Table 1 and paragraph 2.3.2. The financing for 2013/14 has been increased by £4.87 million to reflect the impact of slippage from 2012/13 adjusted for any permanent freeze items previously included as slippage. This is subject to this Cabinet's approval.

Table 6: Capital Programme Financing 2012/13 to 2014/15 £000's

| | 2012-13 | 2013-14 | 2014-15 | |
|--|------------------|------------------|------------------|-----------------|
| Capital Programme Financing | Revised Estimate | Revised Estimate | Revised Estimate | Total Programme |
| Unsupported Borrowing | 13,185 | 10,101 | 0 | 23,286 |
| Grant – Education | 20,447 | 5,240 | 0 | 25,687 |
| Grant – Integrated Transport | 1,160 | 1,155 | 1,155 | 3,470 |
| Grant – Transport Local | 2,958 | 2,864 | 2,699 | 8,521 |
| Grant – Local Sustainable Transport Fund | 676 | 676 | 676 | 2,028 |
| Grants – Other | 7,801 | 4,354 | 700 | 12,855 |
| Capital Receipts brought forward | 3,000 | 3,000 | 2,605 | 8,605 |
| Revenue Contributions | 2,433 | 903 | 0 | 3,336 |
| Total Financing | 51,660 | 28,293 | 7,835 | 87,788 |

2.6.2 The Capital Strategy needs to be made more affordable by delivering the planned capital receipts and reducing the element of unsupported borrowing and the associated ongoing revenue costs.

2.7 SUPPORTED AND UNSUPPORTED BORROWING AND THE REVENUE CONSEQUENCES OF UNSUPPORTED BORROWING

2.7.1 The cost of £1 million of Prudential Borrowing would result in additional revenue financing costs of £100,000 per annum. As part of the Capital Strategy 2012/13 to 2014/15 the Council has included an element of prudential borrowing. At Period 7, there is a sum of £48 million of new unsupported borrowing included over the next three years, which will result in approximately £4.8 million of additional revenue costs detailed at Table 7, if there is no change in strategy.

Table 7: Revised Unsupported Borrowing Forecasts & Revenue costs £000's

| | 2012-13 | 2013/14 | 2014/15 | 2015-16 | Total |
|---|----------|---------|---------|---------|--------|
| | Estimate | | | | |
| New Unsupported borrowing | 13,185 | 10,101 | 0 | - | 23,286 |
| Cumulative Annual Revenue repayment costs | | 1,319 | 1,010 | | 2,329 |

2.7.2 Given the predicted revenue overspend previously reported, it is important to reduce the revenue costs of capital. A pause of two months in the start to new unsupported capital schemes was agreed by Cabinet on September 6. The reductions and cessation of schemes approved by Cabinet on 29 November 2012 have reduced future financing costs by £2.3 million and this has been reflected within the above tables.

2.8 CAPITAL RECEIPTS POSITION

2.8.1 The capital programme is reliant on the Council generating a limited amount of capital receipts to finance the future capital programme schemes. The Capital Receipts Reserve at 1 April 2012 contained £9.2 million of receipts. The current capital programme assumes that £3 million a year will be drawn from this reserve over a three year period. Table 8 below, summarises the current allocated and projected capital receipted position across 2012/13 to 2014/15. The schedule of supporting sites that are to be sold is to be worked up for a future report following work from the Capital Steering Group.

Table 8: Projected capital receipts position – funding requirement £000's

| | 2012/13 | 2013/14 | 2014/15 |
|---------------------------------|---------|---------|---------|
| Capital Receipts Reserve | 9,237 | 7,237 | 4,237 |
| Receipts Assumption | 1,000 | tbc | tbc |
| Funding assumption | (3,000) | (3,000) | (2,605) |
| Closing Balance | 7,237 | 4,237 | 1,632 |

2.8.2 These receipts are being reviewed in future periods, along with other strategic site availability, to maximise the offset of unsupported borrowing and so reduce future revenue growth. There are also options for using a greater proportion of the reserve to generate savings in borrowing. Any decision however also needs to take account of savings that can be achieved from using capital receipts against schemes which would otherwise incur a high minimum revenue provision charge.

2.8.3 There is a high level of risk in these projections as they are subject to changes in legislation, property and land values, the actions of potential buyers and being granted planning permission on sites.

2.9 FREEZE PROCESS AND OUTCOMES

2.9.1 The freeze process was agreed on September 6 and developed further as reported in the month 5 monitor. As at the end of October £0.9 million has been slipped into 2013/14.

2.9.2 The whole point of the exercise is to reduce the projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council, that is, all its Members. No items have been frozen during the period.

3.0 RELEVANT RISKS

3.1 The possible failure to deliver the Capital Programme will be mitigated by the monthly review by a senior group of officers, charged with improving performance. They will also be able to improve the affordability of the programme.

4.0 OTHER OPTIONS CONSIDERED

4.1 None.

5.0 CONSULTATION

5.1 No consultation has been carried out in relation to this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 As yet, there are no implications for voluntary, community or faith groups.

7.0 RESOURCE IMPLICATIONS

7.1 The whole report is about significant resource implications.

8.0 LEGAL IMPLICATIONS

8.1 There are no legal implications.

9.0 EQUALITIES IMPLICATIONS

9.1 An Equality impact assessment is attached to this report.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 None.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 None.

12.0 RECOMMENDATIONS

12.1 That Cabinet is asked to:

- a) Agree the revised Capital Programme of £51.660 million.
- b) Agree slippage in the programme of £2.632 million from 2012/13 to 2013/14.
- c) Agree an increase to the programme of £0.3 million for a Finance scheme (Moreton Library/One Stop Shop) which does not require financing from unsupported borrowing.
- d) Note the spend to date at month 7 of £17.279 million, which represents 33.4% of the revised capital budget, with 58% of the financial year having elapsed.
- e) Note the work of the Capital Steering Group to detail the schedule of sites to validate the estimate of capital receipts.
- f) Note the inclusion within this report of the programme changes agreed by Cabinet on 29 November 2012 of ceased or reduced schemes totalling £30.755 million and consequent annual revenue savings of £2.3 million arising from a review of the current capital programme.

13.0 REASONS FOR RECOMMENDATIONS

13.1 Regular monitoring and reporting of the capital programme will enable decisions to be taken faster which may produce revenue benefits and will improve financial control of the programme.

REPORT AUTHOR: Peter Molyneux
Chief Accountant
Telephone: 0151 666 3389
Email: petemolyneux@wirral.gov.uk

APPENDIX:

Appendix 1 Freeze outcomes weeks 7 – 10.

Appendix 2 Schemes remove from the capital programme as per Cabinet 29 November 2012.

SUBJECT HISTORY

| Council Meeting | Date |
|---|------|
| Capital monitoring reports have previously been submitted as part of the Performance & Financial Review presented to Cabinet on a quarterly basis and from September 2012 are being submitted monthly | |

Capital Freeze 1 November 2012 - decision on outstanding schemes

Week 7

| Dept | Ref | Project Title | Requested £ | Agreed £ | Suspend £ | Rejected £ | Reason for Recommendation |
|------|-----|---|----------------|-------------|--------------|---------------|---|
| LHR | 31 | Williamson Art Gallery - entrance ramp and associated works | 86,947 | 86,947 | | | Improvements to enable full DDA compliance; from £2.17m cultural assets fund. |
| | | | 86,947 | 86,947 | 0 | 0 | |
| | | Percentage | 100.0 | 100.0 | 0.0 | 0.0 | |

| Suggested Scheme Reductions | Amount 2012/13 £000 | Amount 2013/14 £000 | Amount 2014/15 £000 | Total Reduced £000 | |
|---------------------------------------|---------------------------|---------------------------|---------------------------|--------------------------|---|
| PROGRAMME | | | | | |
| Children and Young People | | | | | |
| Family Support Scheme | 100 | 0 | 0 | 100 | Reduction from the £215k originally allocated to reflect requirements |
| Schools- Harness Technology | 234 | 0 | 0 | 234 | Scheme has been completed and this is the residual sum |
| Private Finance Initiative | 110 | 0 | 0 | 110 | Reduction from the £213k originally allocated to reflect requirements |
| Wirral Youth Zone (consultation) | 100 | 0 | 0 | 100 | Reduction from the £200k originally allocated to reflect requirements. |
| Wirral Youth Zone (scheme) | 0 | 1,400 | 2,400 | 3,800 | Report to Cabinet requiring a lesser Council contribution at this stage. The originally allocated £4.8m being reduced to £1m. The final scheme costs have yet to be determined. |
| Finance | | | | | |
| Asset Review – IT | 3,000 | 2,000 | 0 | 5,000 | Scheme deleted as proposals still to be determined. Will be re-submitted when way forward agreed. |
| Law, HR & Asset Management | | | | | |
| Microgeneration | 50 | 0 | 0 | 50 | Reduction from the £100k originally allocated based on requirements |
| Cultural Services Assets | 1,297 | 0 | 0 | 1,297 | Balance remaining as uncommitted after the contractual commitments have been funded |
| North and South Annexes | 1,365 | 300 | 700 | 2,365 | Scheme being re-visited and reviewed which will lead to a revised bid for inclusion in the Programme |

| | | | | | |
|---|--------|--------|---|--------|---|
| Bebington Civic Centre | 0 | 1,300 | 0 | 1,300 | Scheme being re-visited and reviewed which will lead to a revised bid for inclusion in the Programme |
| Solar Photovoltaic Project | 2,275 | 400 | 0 | 2,675 | Reduction of £1.2m based on tenders received for scheme funded from Feed-In Tariff and energy savings. Cabinet agreed not to progress pending review of assets and whilst alternative options are pursued |
| Re-Phasing of Council Office Works (this is the removal of a 'balancing' item in the Programme) | -1,200 | -1,200 | 0 | -2,400 | The Programme previously included £1.2m of reductions in 2012/13 and 2013/14 to 'balance' the Programme in advance of the review. The review removes this adjustment. |
| Energy Schemes | 153 | 0 | 0 | 153 | Delete as scheme became part of Wallasey Annexe scheme which is now under review |

Regeneration, Housing & Planning

| | | | | | |
|---|-------|-------|-------|-------|--|
| West Wirral Schemes | 206 | 0 | 0 | 206 | No proposals to spend at this stage. If progressed will be the subject of a new bid for inclusion in the Programme |
| Housing Market Renewal Residual Programme | 970 | 865 | 865 | 2,700 | Effectively double-counted the scheme and grant funding between this and the Improvements To Stock programme |
| Disabled Facilities – Adaptations | 2,124 | 0 | 0 | 2,124 | Programme set at a manageable and deliverable £3 million for 2012/13. This represents the excess sum |
| Quarry Bank Affordable Housing | 158 | 0 | 0 | 158 | Scheme completed at reduced cost |
| Challenge Fund | 450 | 0 | 0 | 450 | Scheme completed at reduced cost |
| Destination West Kirby | 0 | 1,250 | 0 | 1,250 | Scheme included and reliant upon £0.75m grant which is not realisable |
| Wirral Country Park | 0 | 1,600 | 1,300 | 2,900 | Scheme included and reliant upon £1.5m grant which is not realisable |
| Power Solutions to Strategic Investment Areas | 0 | 5,000 | 0 | 5,000 | Not a local authority project and any Works will be undertaken by the private sector |

Technical Services

| | | | | | |
|---|---------------|---------------|--------------|---------------|---|
| Maintenance – Bridges and Street Lighting | 0 | 450 | 0 | 450 | Slippage to 2013/14 agreed and to be priorities for programme within the LTP allocation |
| Integrated Transport Block | 0 | 650 | 0 | 650 | Slippage to 2013/14 agreed and to be priorities for programme within the LTP allocation – see Spending Freeze |
| Parks, Plant and Equipment | 83 | 0 | 0 | 83 | Reduction based upon tender savings |
| Programme Reduction | 11,475 | 14,015 | 5,265 | 30,755 | |

FUNDING

| | | | | | |
|--------------------------|---------------|---------------|--------------|---------------|---|
| Unsupported Financing | 8,230 | 11,100 | 3,800 | 23,130 | Funding to be found by the Council so reduction realises revenue savings |
| Invest-To-Save | 2,275 | 400 | 0 | 2,675 | For the Solar Photovoltaic Scheme the costs were to have been offset by the Feed-In Tariff and energy savings x |
| Grant | 970 | 2,515 | 1,465 | 4,950 | Comprise the double-counting of HMR grant and non-realizable grant so not a loss of grant funding |
| Funding Reduction | 11,475 | 14,015 | 5,265 | 30,755 | |

Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details: Peter Molyneux

EIA lead Officer: Peter Molyneux

Email address: petemolyneux@wirral.gov.uk

Head of Section: Tom Sault

Chief Officer: Peter Timmins

Department: Finance

Date: 30th November 2012

Section 2: What Council proposal is being assessed? Capital Monitoring (including freeze proposals)

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes If 'yes' please state which meeting and what date
Cabinet 18 October 2012

Please add hyperlink to where your EIA is/will be published on the Council's website <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- ✓ **Services**
- ✓ **The workforce**
- ✓ **Communities**
- ✓ **Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- ✓ Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5: Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.
Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|---|---|---------------|-----------|--|
| Page 80 All groups | Budgetary overspends will result in requirement to reduce expenditure in year with consequences on communities and staff. Rational decision making to tackle issues will enhance good relations and minimise negative impacts | Budgetary control including regular monitoring, freeze procedures and budgetary reviews will assist in limiting impact | Peter Timmins | On Going | Budgetary overspends would require funding from resources |
| All groups | Reduction in expenditure from freeze proposals could impact on services delivered to communities | Freeze process includes exemptions for critical service areas. Process allows for business case to be submitted to exempt expenditure from freeze | Peter Timmins | On Going | Freeze proposals will assist enabling control of expenditure |
| | | | | | |
| | | | | | |

Section 5a: Where and how will the above actions be monitored?

Monthly monitoring report to Cabinet. This will include recommendations for approval of spending freeze decisions

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

Section 6: What research / data / information have you used in support of this process?

Budgetary forecast information

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes / No – (please delete as appropriate) No

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why: Urgent decisions required to tackle budgetary position. Freeze proposals undergo review process and involve officers and members

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)
- b) Include any potential positive impacts as well as negative impacts? (section 5)
- c) Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?
- d) Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?

WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|-------------------------------------|------------------------------------|
| SUBJECT | AUTUMN STATEMENT 2012 |
| WARD/S AFFECTED | ALL |
| REPORT OF | INTERIM DIRECTOR OF FINANCE |
| RESPONSIBLE PORTFOLIO HOLDER | COUNCILLOR PHIL DAVIES |
| KEY DECISION | NO |

1. EXECUTIVE SUMMARY

- 1.1 The Chancellor of the Exchequer presented the Autumn Statement on 5 December 2012. This report provides a summary of the main issues, a number of which have a direct bearing on local authorities. What is clear is that there will be no let up in the pressure being applied to local authority finances. The Chancellor has made it clear that spending reductions will continue into 2017-18. Additional spending cuts of £445 million are to be imposed on local authorities in 2014-15. Wirral's resources could therefore be reduced by a further £5.2 m over 2014-16. As a result the 3 year savings target will increase from £103.5 m to £108.7m, assuming an even distribution between local authorities.

2. BACKGROUND AND KEY ISSUES

- 2.1 The Government's economic strategy set out in the June Budget 2010 is designed to reduce the deficit, restore stability, equip the UK to succeed in the global race and rebalance the economy. Where it is affordable, the Government is committed to helping families with the cost of living and to supporting those who want to work hard and get on. The Government states it is committed to ensuring that the impact of the consolidation is shared fairly. Autumn Statement 2012 maintains this strategy and sets out the further action the Government will take in three areas

- Protecting the economy;
- Growth; and
- Fairness

3. Protecting the economy

3.1 The Office for Budget Responsibility's forecasts for GDP growth revise down the march Budget forecast, as follows:

| | Autumn Statement December 2012 | Budget March 2012 | Change |
|------|---|------------------------------|---------------|
| 2012 | -0.1% | 0.8% | -0.9% |
| 2013 | 1.2% | 2.0% | -0.8% |
| 2014 | 2.0% | 2.7% | -0.7% |
| 2015 | 2.3% | 3.0% | -0.7% |
| 2016 | 2.7% | 3.0% | -0.3% |
| 2017 | 2.8% | N/A | N/A |

3.2 Since Budget 2012 employment has grown more strongly than forecast and is projected to rise in every year of the OBR's December 2012 Economic and Fiscal Outlook report.

3.3 Borrowing is forecast to fall by 1.0% of GDP in 2012-13, by 0.8% in 2013-14 and 0.9% in 2014-15.

3.4 Public sector net debt as a percentage of GDP is expected to be 79.9% in 2015-16 before falling to 77.3% in 2017-18.

3.5 The deterioration in these forecasts is due to a persistent cyclical economic deterioration, the euro debt crisis and higher commodity price inflation.

3.6 In response to this the Government has announced a further £6.6 billion package of savings made up from welfare, overseas aid and departmental current spending of which the latter accounts for £3.4 billion. Local government will be exempt from the reduction in 2013-14; however the CLG Local Government Resource Budget for 2014-15 has been reduced by £445 million. Health and schools will continue to be protected in line with the policy set out at the Spending Review 2010.

3.7 In line with the Autumn Statement 2011 the Government has confirmed that total spending in 2015-16 and 2016-17 will continue to fall at the same rate as the Spending Review 2010 period with detailed spending plans set out in the first half of next year. Furthermore the Government is setting the fiscal assumption that Total Managed Expenditure (TME) in 2017-18 will also continue to fall at this rate. Consequently, TME in 2017-18 will be £4.6 billion lower than 2016-17.

4. Growth

4.1 The Government is proposing to deliver a programme of structural reforms that will strengthen and rebalance the economy. The most significant measures are detailed in the following paragraphs.

- 4.2 The savings package referred to in paragraph 3.6 will fund a £5.5 billion capital package and support for long-term private investment. Of this
- £1.5 billion to enhance the road network;
 - £0.8 billion to improve the supply of housing through the FirstBuy equity loan scheme, investment in the Affordable Homes Programme and support for the building of private rented homes;
 - To further support housing and commercial development £60 million will be made available to support infrastructure in a number of Enterprise Zones, £225 million developing larger housing sites, £190 million to enable the quicker disposal of surplus public sector land for new homes and £100 million to bring forward public sector sites for development;
 - £0.6 billion will be invested in Research Council infrastructure to support high quality research and development;
 - A number of measures to promote exports and encourage foreign direct investment with a direct investment by the Government of £100 million;
 - £10 million will be provided every year for capacity building within Local Enterprise Partnerships (LEPs). Each LEP will be able to apply for £250,000 additional funding per year to support the development and delivery of their strategic plan. A new concessionary public works loan rate will be available to an infrastructure project nominated by each LEP with the total borrowing capped at £1.5 billion;
 - LEPs, which bring together local leaders and businesses, will be asked by the Government to lead the development of new strategic plans for local growth consistent with national priorities. In developing the plans, LEPs will be expected to consult with all relevant local partners, including the local chambers of commerce and other business bodies. These multi-year plans will build on any existing plans and include coordination with ongoing public programmes. It is expected that local authorities or other bodies, and not LEPs, will deliver programmes and projects, ensuring that there are proper accountability structures in place
 - The Government will also provide a further £350 million towards the Regional Growth Fund, to provide support for jobs and growth;
 - An additional £980 million will be invested in schools which is estimated to provide funding for 100 new academies and free schools. A further £270 million will be available for capital investment in further education colleges.
- 4.3 Subject to consultation, the Government will implement the School Teachers Review Body recommendations that include the flexibility for individual schools to set pay in line with performance
- 4.4 Consultation is to be undertaken regarding the way TUPE operates.
- 4.5 The intention is to simplify the Carbon Reduction Commitment (CRC) energy efficiency scheme from 2013. The CRC's Performance League Table will be abolished to simplify the scheme further. A full review of the effectiveness will be held in 2016 and the tax will be a high priority for removal when the public finances allow.

- 4.6 The main rate of corporation tax will be reduced by an additional 1% in April 2014 to 21% meaning the UK will have the lowest rate in the G7.
- 4.7 The Annual Investment Allowance is to be increased from £25,000 to £250,000 for qualifying investment in plant and machinery for two years from 1 January 2013. It is hoped to encourage this type of investment especially among small and medium enterprises.
- 4.8 Creation of a £1 billion Business Bank to help smaller businesses access finance and support.
- 4.9 Enabling UK Export Finance to provide up to £1.5 billion in loans to finance small firms' exports.
- 4.10 Subject to consultation the Government will exempt all newly built commercial property completed between 1 October 2013 and 30 September 2016 from empty property rates for the first 18 months, up to the state aids limit. This will affect the Council's tax base, unless allowed for.
- 4.11 The temporary doubling of the Small Business Rate Relief scheme will be extended for a further 12 months from 1 April 2013. Currently this cost is borne by the Exchequer and hopefully the DCLG will confirm that this is still going to be the case.

5. Fairness

- 5.1 The personal tax allowance is to be increased by £235 in April 2013, taking it to £9,440. It is estimated that this will lift an additional 250,000 people out of income tax altogether.
- 5.2 The higher rate threshold for income tax will increase by 1%, rather than inflation, in 2014-15 and 2015-16;
- 5.3 The capital gains annual exempt amount will increase by 1% each year in 2014-15 and 2015-16 whilst the inheritance tax nil-rate band will be increased by 1% in 2015-16;
- 5.4 The proposed increase in fuel duty of 3.02 pence per litre from 1 January 2013 has been cancelled. Furthermore the proposed increase from 1 April 2013 will now be deferred until 1 September 2013 with any subsequent increases taking effect in September as opposed to April.
- 5.5 The Autumn Statement introduces a welfare reform package that is designed to save a further £3.7 billion in 2015-16. The key components of this are:
 - Most working age benefits (including the main elements of Jobseeker's Allowance, Employment and Support Allowance and Income Support) will be uprated by 1% for three years from April 2013;

- This increase will also apply to Child Tax Credit and Working Tax Credit, except for those elements that are already frozen in 2013-14 and the family element;
- Child Benefit will be uprated by 1% in 2014-15 and 2015-16;
- Other benefits, including the Additional State Pension and those specifically for disability and carers, will continue to be uprated in line with prices, as will the disability elements of tax credits. The basic state pension will increase by 2.5% in April 2013;
- Local Housing Allowance Rates will be capped at an increase of 1% in most areas in 2014-15 and 2015-16;
- The Support for Mortgage Interest scheme will continue at the same level until March 2015.

5.6 In order to protect the public finances from the growing cost of tax relief for pension savings, from 2014-15 the lifetime allowance for pension contributions will be reduced by £0.25 million to £1.25 million accompanied by a reduction in the annual allowance of £10,000 to £40,000.

5.7 In recognition of the importance of partnership across a functional economic area the Government will support local authorities that wish to create a combined authority or implement other forms of collaboration (for example, shared management arrangements), and will also ensure that the existing legislation is fit for purpose. However, there is no indication what form this support will take.

6. OTHER OPTIONS CONSIDERED

6.1 None.

7. CONSULTATION

7.1 No consultation has been carried out in relation to this report.

8. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 As yet, there are no implications for voluntary, community or faith groups.

9. RESOURCE IMPLICATIONS

9.1 The Autumn Statement is quite explicit in stating that Government will set plans for public spending up to March 2017-18 in line with the spending reductions over the Spending Review 2010 period. Taken together with the announcement regarding the additional funding reduction for local authorities of £445 million in 2014-15 this will mean that we will continue to experience severe financial pressures at least until March 2018. Wirral's resources could therefore be reduced by a further £5.2 m over 2014-16. As a result the 3 year savings target will increase from £103.5m to £108.7m assuming an even distribution between local authorities.

10. LEGAL IMPLICATIONS

10.1 There are no legal implications.

11. EQUALITIES IMPLICATIONS

11.1 An Equality impact assessment is attached to this report.

12. CARBON REDUCTION IMPLICATIONS

12.1 None.

13. PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 None.

14. RECOMMENDATIONS

14.1 That the report be noted.

15. REASONS FOR RECOMMENDATIONS

15.1 At this stage the report is for information only and provides the context for future national spending plans.

REPORT AUTHOR: REG HUYTON
Group Accountant
telephone: 0151 666 3403
email: reghuyton@wirral.gov.uk

REFERENCE MATERIAL

Autumn Statement 2012– HM Treasury – 5 December 2012

SUBJECT HISTORY

| Council Meeting | Date |
|---|-----------------|
| Cabinet - Chancellor of the Exchequer's Budget 2010 | 22 July 2010 |
| Cabinet - Chancellor of the Exchequer's Budget 2011 | 14 April 2011 |
| Cabinet - Chancellor of the Exchequer's Budget 2012 | 12 April 2012 |
| Cabinet - Chancellor of the Exchequer's Autumn Statement 2011 | 8 December 2011 |

Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details: Reg Huyton

EIA lead Officer: Reg Huyton

Email address: reghuyton@wirral.gov.uk

Head of Section: Tom Sault

Chief Officer: Peter Timmins

Department: Finance

Date: 10th December 2012

Section 2: What Council proposal is being assessed?

None

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes

If 'yes' please state which meeting and what date
Cabinet 20 December 2012

Please add hyperlink to where your EIA is/will be published on the Council's website <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

Services

The workforce

Communities

Other (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

√ **None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

Eliminates unlawful discrimination, harassment and victimisation

Advances equality of opportunity

Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

No (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5: Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.
Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|---------------------------------------|---|-------------|-----------|-----------------------|
| | | | | | |
| Page 91 | | | | | |
| | | | | | |

Section 5a: Where and how will the above actions be monitored?

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

Section 6: What research / data / information have you used in support of this process?

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes / No – (please delete as appropriate)

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why:

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) **Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)**
- b) **Include any potential positive impacts as well as negative impacts? (section 5)**
- c) **Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?**
- d) **Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?**

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WIRRAL COUNCIL

Cabinet
20 December 2012

| | |
|--------------------------------------|--|
| SUBJECT: | Delegation on Employment Issues |
| WARD/S AFFECTED: | All |
| REPORT OF: | The Chief Executive |
| RESPONSIBLE PORTFOLIO HOLDER: | The Leader |
| KEY DECISION? | No |

1.0 EXECUTIVE SUMMARY

- 1.1 To delegate to the Chief Executive as Head of Paid service the power to make appropriate arrangements for conducting appeals in connection with gradings, grievances or disciplinary action against or dismissal of employees.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The current delegations to the Employment Appeals Sub-committee of the Employment and Appointments Committee confers the following function upon the sub-committee.

“To hear and determine appeals in connection with gradings, grievances or disciplinary action against or dismissal of employees.”

- 2.2 In the light of the scale of possible changes to staffing the council will be considering over the coming months the current appeal arrangements are unlikely to be able to cope with the volume of work in a reasonable time scale. This accords with the recommendations of the Improvement Board which have recommended the greater devolution of authority in order to achieve quicker decision making in key areas.
- 2.3 It is recommended that the council move to the practice common in many authorities where the Chief Executive as Head of Paid Service ensures that appropriate appeal arrangements are established. Again this accords with the feedback from the Peer Challenge which recommends that roles are clarified to ensure elected members do not get too involved in operational matters and officers are empowered to take decisions.
- 2.4 This will not apply to Chief Officers or Deputies, effectively Strategic Directors and Heads of Service in the new structure. In those cases the Employment and Appointments Committee will continue to be responsible for their appointment and dismissal.

- 2.5 It is a further recommendation that the Chief Executive report annually to the Employment and Appointments Committee on the operation of the arrangements for conducting appeals in connection with gradings, grievances or disciplinary action against or dismissal of employees.

3.0 RELEVANT RISKS

- 3.1 If it is not possible to deal with employment appeals in a timely fashion the council faces the risk of legal challenge and delay in achieving savings.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The only two options are either member or officer delegation.

5.0 CONSULTATION

- 5.1 The trade unions are being consulted and their response will be reported to full council to inform any final decision.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

- 6.1 None

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 None

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 8.1 It is anticipated that a streamlined process will help contribute up to £20,000 in efficiencies which will support the restructuring of governance arrangements.

9.0 LEGAL IMPLICATIONS

- 9.1 In order to comply with best practice a fair and timely internal appeal process for employment related matters relating gradings, grievances, disciplinary action against or dismissal of employees is necessary.

10.0 EQUALITIES IMPLICATIONS

- 10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No because there is no relevance to equality.

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

- 11.1 None

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 12.1 None

13.0 RECOMMENDATION/S

13.1 To recommend to Council that:

13.2 They delegate to the Chief Executive as Head of Paid Service the power to make appropriate arrangements for conducting appeals in connection with gradings, grievances or disciplinary action against or dismissal of employees.

13.3 The Chief Executive as Head of Paid Service report annually to the Employment and Appeal Committee on the operation of the arrangements for conducting appeals in connection with gradings, grievances or disciplinary action against or dismissal of employees.

13.4 To remove the delegations to the Employment and Appeals Sub-committee to hear and determine appeals in connection with gradings, grievances or disciplinary action against or dismissal of employees.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 To ensure the council is able to hear and conclude appeals in connection with gradings, grievances or disciplinary action against or dismissal of employees in a fair and timely manner.

REPORT AUTHOR: Stephen Gerrard

telephone (0151) 6918569

email stephengerrard@wirral.gov.uk

APPENDICES

None

BACKGROUND PAPERS/REFERENCE MATERIAL

None

BRIEFING NOTES HISTORY

| Briefing Note | Date |
|----------------------|-------------|
| | |

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|-------------|
| | |

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Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details

EIA lead Officer: Stephen Gerrard

Email address: stephengerrard@wirral.com

Head of Section: Stephen Gerrard

Chief Officer: Surjit Tour

Department: Legal

Date: 05 December 2012

Section 2: What Council proposal is being assessed?

Review delegation to Employment and Appeals Committee to deal with disciplinary and grievance for non- chief officers

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

No If 'yes' please state which meeting and what date

.....

Please add hyperlink to where your EIA is/will be published on the Council's website (see your Departmental Equality Group Chair for appropriate hyperlink)

.....

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|---------------------------------------|---|-------------|-----------|-----------------------|
| | | | | | |
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| | | | | | |

Section 5a: Where and how will the above actions be monitored?

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

Section 6: What research / data / information have you used in support of this process?

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes / No – (please delete as appropriate)

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why:

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) **Add appropriate departmental hyperlink to where your EIA is/will be published** (section 2b)
- b) **Include any potential positive impacts as well as negative impacts?** (section 5)
- c) **Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?**
- d) **Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?**

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WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|--|--|
| SUBJECT: | <i>FEES FOR RESIDENTIAL AND NURSING HOMES CARE – RESPONSE TO CONSULTATION</i> |
| WARD/S AFFECTED: | <i>ALL</i> |
| REPORT OF: | <i>GRAHAM HODKINSON</i> |
| RESPONSIBLE PORTFOLIO HOLDER: | <i>COUNCILLOR CHRISTINE JONES</i> |
| KEY DECISION? | NO |

1.0 PURPOSE OF REPORT

- 1.1 To report the outcome of consultation with independent residential and nursing home providers regarding the fees option proposals as agreed by Cabinet at its meeting on 18 October 2012.
- 1.2 To present a further revised option which has been developed in response to feedback received during the consultation period.
- 1.3 The proposals have been considered with due regard to the Council's priority to safeguard vulnerable adults and promote choice and control.
- 1.4 The Council has a statutory duty to set a fee level that enables efficiently run care homes to provide care that is compliant with the Care Quality Commission (CQC) Essential Standards of Quality and Safety Regulations 2010.

2.0 BACKGROUND

- 2.1 During 2012 extensive work has been undertaken with the local residential and nursing home care market to develop the Efficient Wirral Care Home cost model. The model has due regard to actual costs and market returns and determines a fair and reasonable contract rate. A report commissioned by the Wirral Care Homes Association from the market analysts Laing and Buisson submitted to the Council in 2011 has also been considered at the request of home owners. The economies of residential homes vary according to how they are financed, their lay out and their capacity. The Wirral Market contains a mix of purpose built homes and large former private houses that have been adapted.

- 2.2 Home owners have been consulted in the development of the model including;
- A questionnaire about Quality Premiums and developing a fee model.
 - Home Owner Forum Meeting discussions
 - Formal responses to an initial proposal using the Efficient Care Home Model
 - Feedback from the Wirral Care Homes Association to proposals
 - A data collection exercise for summarised actual cost information.
 - Wider Consultation issues relating to choice of residential care with an Older Peoples Group
 - Consultation on the Option 2 proposal of 18 October 2012
- 2.3 The Wirral residential and nursing home market consists of 111 homes, 83 of which provide support to Older People and are subject to the standard fees set by the council.
- 2.4 The Council's overarching commissioning strategy "Shaping Tomorrow" clearly shows the need to reduce reliance on residential care services in order to offer more and alternative forms of support in peoples own homes. It is therefore planned to reduce the number of places purchased in residential and nursing care through expanding the range and capacity of community based services; this forms part of the current consultation on the 2013/14 budget options.
- 2.5 Formal consultation began in January 2012 a chronology of the process is set out in Appendix 1. Home owners were advised that the timetable for setting the Council's budget for 2012/13 was 1 March 2012 and that the planned consultation would result in the fees being set after this date. The Council did not make provision at that time for the cost of implementing any fee proposals. Home owners were further advised that the budget had been set in the knowledge that the Council's fee proposals were subject to consultation and may increase and that an allowance would have to be made for this contingency within 2012/2013 and in future years.
- 2.6 At its meeting on 18 October 2012, Cabinet were presented with a number of Options regarding the level of fees to be paid to providers with effect from 9 April 2012; the relevant Option which was agreed for consultation is set out in Table 1:

Table 1
Wirral Model – Option 2

| | Option 2 50 Bedded Unit 90% Occupancy |
|-------------------------------------|--|
| Assumed levels of return | 7% Return on Capital at Market Value 3% Return on Business Activity |
| Type of Establishment | |
| Residential | £389 |
| Residential EMI | £419 |
| Nursing | £529 |
| Nursing EMI | £552 |
| Total Additional Annual Cost | £757,473 |

3.0 FEEDBACK FROM CONSULTATION

- 3.1 The detailed correspondence and feedback from the consultation with residential and nursing home has not been made publically available at this stage, due to its commercial sensitivity. It will be agreed with home owners which of this information will be presented to members when the substantial decision on fees is made in the New Year. Included at Appendix 2 of this report, for members' consideration, therefore, is a summary of the feedback from consultation at this stage.
- 3.2 Appendix 3 which has been placed on the Council website library includes specific detailed service documentation such as the reports from Laing and Buisson and BUPA which Wirral Care Homes Association specifically wanted Cabinet members to be aware of.
- 3.3 Members of the Cabinet have received a pack of relevant background papers in hard copy for ease of reference to allow them to review in detail this area and the strength of feeling that have been expressed by home owners.

4.0 RELEVANT RISKS

- 4.1 There is a risk of judicial review in relation to the proposals: at this stage the Wirral Care Homes Association does not accept the consultation has been completed and has requested an opportunity to verify and agree the figures used and the methodology applied. The Association has also indicated its intention to legally challenge the Council if the proposed fees are implemented. It is hoped that this can be avoided and that the settlement of fees are not further delayed.
- 4.2 It is critical to obtain the correct balance between cost and quality to ensure quality standards can be maintained and Best Value obtained. The Council's preference is to support efficiency and have this represented in the market by homes of 50 beds or more. At present 66 residential and nursing homes (80% of capacity) are below the preferred 50 bed model. Feedback from providers has shown this as an area of concern with a larger proportion of provision under 50 beds. Homes that are highly dependent on the council, have a higher level of vacancies and have fewer than 25 beds would more exposed to risk
- 4.3 There are currently 50 homes (representing 60% of the market capacity) that have fewer than the average of 37 beds. By setting the fees based on this option (originally described as Option 3 in the report to Cabinet on 18 October 2012) there is potentially a lower risk of home closures and less chance of the quality of care being affected.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 It was suggested by one home owner that a rate should be set between the two options proposed; this was rejected as there would be no rationale or basis on which to develop the option. It did indicate that there was flexibility amongst home owners in considering the fee levels.
- 5.2 Within the response to the consultation Option 3 (from 18 October 2012 Cabinet report) based on 37 beds with 90% occupancy has been suggested by a number of home owners as the most appropriate fee model.

- 5.3 Whilst no other options were developed into proposals, there is evidence within the sector that on average 95% of beds are full most of the time. It would be reasonable therefore to develop a model using this data as it reflects the market position. In addition using 37 beds as the home size would respond to the average number beds in the Wirral Care Home Market. **It is recommended this new Option is now taken forward for a short period of consultation with home owners.** The relative costs of this option are shown in Table 2:

Table 2
New Option

| | New Option 37 Bedded Unit 95% Occupancy |
|-------------------------------------|--|
| Assumed levels of return | 7% Return on Capital at Market Value 3% Return on Business Activity |
| Type of Establishment | |
| Residential | £393 |
| Residential EMI | £423 |
| Nursing | £533 |
| Nursing EMI | £552 |
| Total Additional Annual Cost | £985,169 |

- 5.4 The Council's current contract with home owners requires fees to be reviewed annually; the next revision would be due in 2013/14. It is proposed that the new increased offer is made to cover a period of two years and that home owners are, therefore, consulted on this approach.

6. CONSULTATION

- 6.1 This report is presented to show the outcome of a consultation process. It should be noted that the additional consultation on Option 2 was in addition to the extensive consultation exercise described in the report to Cabinet on 18 October 2012.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 There are no direct implications for voluntary, community and faith organisations.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 8.1 The financial implications of implementing Option 2 in a full year would have been £757,473; any subsequent variations as outlined in this report with the New Option, would require additional resources.
- 8.2 No provision is available within the currently approved estimates of the Department of Adult Social Services to fund any increase in fees, as no specific provision was made when the Council set its budget earlier in the year. In agreeing to any increase it will be necessary to fund this in 2012/13 from the Revenue Reserves of the Council; with subsequent years' costs being a call against any resources that are made available for Growth.

- 8.3 The following table sets out the current budget and forecast expenditure within this area of activity. It can be seen that there is considerable pressure on this budget due to the demand levels within the service and the response to the rise in the elderly population. As stated above within the departmental strategy it is planned is to move away from the use of residential care over time

| | Budget 2012-13 £ | Forecast M7 (no increase in standard rate assumed 1.4.12) £ |
|---|---------------------|--|
| Independent Nursing Care | £14,258,300 | £15,125,651 |
| Independent Residential Care | £26,763,000 | £30,976,426 |
| NB - Not all the placements are paid at the standard rate now under consideration | | |

9.0 LEGAL IMPLICATIONS

- 9.1 During 2011, and more recently, there have been a number of high profile court cases against local authorities, most notably the Judicial Review Judgements from Pembrokeshire, Sefton and Leicestershire ruled that fees had been set without **due regard** to the actual costs of care and in the Sefton that the Council had failed to consult with home owners. Devon failed to identify any measures to mitigate the impact of people having to move despite the well-known adverse impact on health that this can have and the Equality Impact Assessment was not properly considered. The Council is, also, acutely aware that it should not transgress the Birmingham Judicial Review judgment where fees were set retrospectively to fit the budget available thereby predetermining the outcome of the consultation.
- 9.2 Under section 21 of the National Assistance Act 1948 (“the Act”) and the Directions made under it and LAC 93 (10), the Council has a duty to arrange accommodation for adults who by reason of age, illness or disability or any other circumstance are in need of care and attention.
- 9.3 The National Assistance Act (Choice of Accommodation) Directions 1992 allows the Council to fix a maximum amount or “usual cost” that it is prepared to pay for particular types of residential care. Paragraph 3(b) states that that the individual should be accommodated at a place of their choice (known as preferred accommodation) provided making arrangements at the individual’s preferred accommodation would not require the Council to pay more than they would usually expect to pay having regard to the individual’s assessed needs.
- 9.4 Statutory guidance given by the Department of Health in Circular LAC (2004) 20 provides that ‘in setting and reviewing their usual costs, councils should have due regard to the actual costs of providing care and other local factors. Councils should also have due regard to Best Value requirements under the Local Government Act 1999. Such requirements include the discharge of the Council’s functions having regard to efficiency and economy.
- 9.5 The Council is required to pay the amount it usually costs to meet the individual’s objectives set out in the needs assessment and care/support plan [less any means tested contribution]. The Council is not required to pay more than it would usually expect to pay, having due regard to assessed needs. More than one usual cost should be set where the cost of meeting specific needs is different.

9.6 In setting its fees the Council must comply with its duty under Section 149 of the Equality Act 2010 to have due regard to the need to eliminate discrimination, and advance equality of opportunity amongst elderly and disabled persons. The Council's Equality Impact Assessment should therefore focus on the likely impact of its proposed fees on the quality of care for the elderly and disabled differentiating where appropriate between different groups and defining any steps that mitigate any possible adverse consequences e.g. closures of homes.

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

- (a) Yes - completed.
- (b) As stated in the report to Cabinet on 18 October 2012; the response of the market to the proposals cannot be forecast with any certainty. A revised EIA has, therefore, been produced following the latest consultation.

11.0 CARBON REDUCTION IMPLICATIONS

11.1 None.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are no planning implications arising directly from this report.

13.0 RECOMMENDATIONS

13.1 It is recommended that Cabinet;

- i) considers the new fee level Option, as described in section 5 of this report, that has been developed using a Model of a 37 bedded home and 95% occupancy that responds to the feedback from home owners
- ii) consults with home owners for a further four weeks to ascertain views on the New fee level Option including that the increased offer is made to cover a the period of two years i.e. 2012/13 and 2013/14
- iii) agrees to additional resources being allocated to the Department of Adult Social Services to take account of the costs of implementing the proposals.
- iv) adjusts the previously agreed recommendation to collect 'top ups' with effect from 1 April 2013 to 1 September 2013 in order to consider the debt management issues potentially raised by this policy.
- v) amends its resolution of 18 October 2012 so as to authorise the Director of Adult Social Services to serve not less than three months notice of termination of all contracts with homeowners for residential and nursing care at pre-April 2011 fee levels in those cases where the homeowners have accepted residents since April 2011 at the current fee levels (with or without third party top ups) on the Council's usual terms and conditions with the intent that the current contract at post-April 2011 fee levels should encompass all residents in the relevant home without differentiating between their date of entry into the home.

14.0 REASONS FOR RECOMMENDATION/S

- 14.1 The Council must set fees that enable homes to meet the CQC Essential Standards of Quality and Safety Regulations 2010.
- 14.2 The Council has listened to the market and proposes a Fees Level based on a 37 bedded home in line with the local average sized home. It has also responded to reflect an occupancy level of 95% which the sector has been indicating is relevant and in line with the efficient operation of the care homes in Wirral.
- 14.3 It is recognised that the Council has not previously consulted on this particular proposal and it will be necessary, therefore, to approach the market to ascertain its view. This will also give the sector the opportunity to respond to any concerns that might remain regarding the proposed level of fees.
- 14.4 The purpose of the recommendation, regarding the termination of all contracts at pre-April 2011 fee levels, is to ensure that the Council does not serve notice of termination of the existing contracts with residential or nursing homes which have no intention of accepting the Council's new fee levels but look after Council placed residents who were originally accommodated at the higher fee levels that operated prior to April 2011. The Council's intention is to remove the anomaly of two different fees being paid by the Council for the same cost of care and accommodation depending upon whether the resident began their stay in the home prior to or after 1 April 2011.

REPORT AUTHOR: *Paul Cook*
Head of Business Management & Challenge - Families & Wellbeing
telephone: (0151) 666 4836
email: paulcook@wirral.gov.uk

APPENDICES

- Appendix 1 Communication/Consultation Chronology
Appendix 2 Feedback from Consultation
Appendix 3 Specific detailed service documentation, available in the Web Library, as referred to in 3.2 of this report: -

<http://democracy.wirral.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13118&path=12848>

REFERENCE MATERIAL

N/A

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---|-----------------|
| Cabinet - Fees for Residential and Nursing Home Care | 18 October 2012 |
| Cabinet - Fees for Residential and Nursing Home Care | 2 February 2012 |
| Cabinet - Transformation of Adult Social Services, contracts for residential and nursing home care and personal support | 11 March 2011 |

Communication Chronology

| Date | Details |
|---------------|---|
| 17/01/2012 | Provider Forum Wallasey Town Hall |
| 19/01/2012 | Provider Questionnaire issued |
| 10/02/2012 | Provider Questionnaire deadline |
| 02/03/2012 | Provider Forum – Feedback from Questionnaire and Initial Efficient Wirral Care Home Model initial proposal outlined |
| 05/03/2012 | Efficient Wirral Care Home Initial Proposal circulated including detailed working papers and rationale |
| 23/03/2012 | Wider consultation with Older Peoples representatives |
| 02/04/2012 | Deadline for feedback on initial proposal |
| 16/04/2012 | Extended deadline for initial proposal |
| 17/04/2012 | Provider Forum meeting cancelled |
| May 2012 | Ongoing correspondence with Wirral Care Homes Association |
| 14/06/2012 | Meeting with the Directors of Wirral Care Homes Association and their legal representative |
| 27/06/2012 | Follow up meeting with Chair of Wirral Care Homes Association re: data collection exercise to collect summarised actual costs |
| 11/07/2012 | Agreed data collection format |
| 27/07/2012 | Data collection exercise launched |
| 6/08/2012 | Data collection deadline |
| 25/09/2012 | Meeting with Chair of the Wirral Care Home Association to share results of data collection exercise |
| 1/10/2012 | Report and proposals shared with all the home owners |
| 18/10/2012 | Report presented to Cabinet |
| To 26/11/2012 | Consultation on Option 2 of Cabinet report 18 October 2012 |

Summary of Feedback from Consultation

- i) Five homes have informally indicated that they are willing to accept the fees proposed stating that they recognise the financial pressures on the Council.
- ii) A detailed response was received from the Wirral Care Homes Association. It specifically wanted Cabinet members to be aware of reports from Laing and Buisson and BUPA and for the figures they propose to be considered along side the regional information provided for context. In addition to carefully considering this information as part of the fee modelling exercise, as noted above, the documents have been included on the Council's website and passed in hard copy form to Cabinet members.
- iii) A number of homes, and the Wirral Care Home Association, made the point that the average number of beds for the Wirral Market is currently 37; Option 2 is based on 50 beds in recognition that this is an efficient home with economies of scale. LAC (2004) 20 states

“...in setting and reviewing their usual costs, councils should have due regard to the actual cost of providing care and other local factors. Councils should also have due regard to Best Value requirements under the Local Government Act 1999. Such requirements include the discharge of the Council's functions having regard to efficiency and economy.”

Home owners have contended that basing the model on 50 beds does not adequately represent the cost of running a small care home in Wirral. Feedback received during the consultation from smaller homes claim that the Wirral Model is therefore unfair. However, by setting the rate at the average number of beds in the Wirral Market the Council would be compensating for those homes that are operating without the benefits of economies of scale. The Council's duty to ensure economy and efficiency points to a fee level based on an efficient scale of operation for residential and nursing homes. It is the responsibility of each home to develop its business model to determine an acceptable profit level, whilst remaining attractive to potential residents.

- iv) It has also been suggested that if as reported on 18 October 2012 36% of homes charge a top up this is evidence that the current and proposed fees are inadequate. The latest information suggests that the practice of charging a top up for new placements has now increased to 50% of homes. However the Council's proposals have been made with due regard to actual cost and demonstrates that homes do not have to charge a top up. Homes take the decision to charge top ups for a variety of business reasons, including providing amenities beyond the CQC Essential Standards of Quality and Safety Regulations 2010. There have always been top ups present in the market and to date the Council has not experienced difficulties with regard to availability of bed places.
- v) There were a total of 16 responses to the consultation (two from the Wirral Care Homes Association and 14 individual homes owners). In terms of

challenges to the Efficient Wirral Care Home Model two individuals questioned the proposed 7% return on the market value of capital. However, this figure has been benchmarked against reported returns for the market including CBRE and Knight Frank and is considered to be reasonable. It is also worthy of note that research by Laing and Buisson corroborates this rate.

- vi) The Wirral Care Homes Association has argued that the return on business activity of 3% which is provided in the model after all running costs and the return on capital has been made is too low. This return has been proposed with regard to obtaining best value, in line with LAC (2004) 20 (see iii) above) and the Interim Director of Finance believes that this is reasonable in the current economic climate.
- vii) In addition four individual homes questioned the amount included in the model for staffing and 3 for the general running costs. It is noted that 2 homes felt their businesses would be at risk if the Option 2 fees were implemented. As part of the consultation the Department has offered to work with any homes that believes it will go out of business. The homes noted above will be contacted to ascertain how the Department can help them with their business model.
- viii) Wirral Care Homes Association made the specific point regarding “Empty Beds” and “Over Supply of Beds”. It has been acknowledged that the Council has referred to an over supply in the market when in fact it was referring to empty beds. The Association argues that every home will always have one or two empty beds as residents leave or die; however the number of empty beds has remained at approximately 200 for the last six months. Current vacancy information for the market confirms that occupancy is 93.9% and is consistently at 95%. Using the 90% figure in the model enables home owners to achieve a higher rate of return overall when they exceed this occupancy level. This can be seen as a significant factor affecting the Fee Model where the underpinning assumption is that a home will have 90% of its beds occupied. However the council’s strategy to move away from residential based care is likely to reduce the actual occupancy back towards 90% during 2013/2014.

Equality Impact Assessment

Section 1: Your details

EIA lead Officer: Mal Price

Email address: malprice@wirral.gov.uk

Head of Section: Paul Cook

Chief Officer: Graham Hodkinson

Department: Adult Social Services

Date: 12.12.12

Section 2: What Council proposal is being assessed?

Options and recommendations with regard to fees paid by the Council to independent sector residential and nursing homes for older people.

The process ensures that the 'usual cost' the council pays for its social care placements in care homes is set at a level it would expect to pay to meet the 'usual cost of care and accommodation' needs of the individuals receiving the service.

It is not possible to set fees that eliminate all risk of home closure or that meet all the aspirations of all home owners with regard to the returns they would want to achieve. The Council is required to seek best value and balance this against paying a fair fee that does not disadvantage or discriminate against particular groups of people.

The fees paid to specialist mental health and Learning Disability homes will be subject to separate proposals in 2013/2014 which will build on the work undertaken in proposing the fee levels for Older People.

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes

If 'yes' please state which meeting and what date

Cabinet 20 December 2012

Please add hyperlink to where your EIA is/will be published on the Council's website (see your Departmental Equality Group Chair for appropriate hyperlink)

.....

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- ✓ **Services** The aim of the fee setting process is to ensure that there are a sufficient places available to accommodate demand and choice to meet the needs of people assessed as requiring residential or nursing care in Wirral.
- ✓ **The workforce**
- ✓ **Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- ✓ Eliminates unlawful discrimination, harassment and victimisation
- ✓ Advances equality of opportunity
- ✓ Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|---|-------------|-----------|-----------------------|
| | General Market Issues | | | | |
| 1. Older People and disabled Page 117 | Positive – The proposals being considered represent an increase in fees and therefore additional investment in market to ensure that that the demand for residential based care can be met. The increase in fees has the potential to increase the number of homes operating at the Councils standard rate. | | | | |
| 2. Older People and disabled | Positive – Establishes clearly the usual terms and conditions of the Council with a single set of fees so that service users, their families and home owners understand the market. | | | | |
| 3. Older People and disabled | Positive – Short Term and Respite Care The proposed increase in fees could make the provision of respite more attractive to home owners and support a range of service user requirements. | | | | |

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|---|-------------------------------|-------------------------------------|-----------------------|
| 4. Older People and disabled | <p>Negative - New Service Users requiring Residential or Nursing home care.</p> <p>At present 50% of homes have indicated that they charge a top up on new places. This does not suggest that all existing service users pay a top up.</p> <p>This has the potential to reduce choice for people without a third party contribution.</p> | <p>Develop guidance for service users and their families to explain the options available to them and the Choices of accommodations legislation. Also ensure that information provided to service users clearly identifies contracted homes that offer places at the Councils rates and those that charge a top ups.</p> | M Price | March 2013 | |
| 5. Older People and disabled | <p>Negative - Old Contracts that have continued to pay the 2010/2011 fee rates will be terminated where the home has also signed a new contract.</p> <p>Homes that do not sign the new contract and agree to the council's usual fees would not be available to council funded residents in accordance with the Choice of Accommodations Legislation. This may reduce choice in the market.</p> <p>Homes that do not accept the new rates and do not wish continue to provide places at the 2010/2011 rates to the listed individuals may serve notice on the individuals concerned thereby placing them at risk of relocation.</p> | <p>Homes that have not entered into the new contract will continue to operate under the old contract for the named residents until their residency ends or the home signs a new contract accepting the council's usual cost fee for 2012/2013.</p> <p>The offer of a new contract will remain open to all home owners. Under the new contract all resident would be paid at the council's usual fee for 2012/2013. Homes are not compelled to offer places at Councils rates and can charge more if they wish and provided they have a contract in place would be able offer places to people who have a third party payment available to them.</p> | <p>M Price</p> <p>M Price</p> | <p>March 2013</p> <p>March 2013</p> | |

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|--|-----------------|--|-----------------------|
| 5. continued | | Write directly to all the service users and families that have been supported under the old contract and provide clarification. | M Price | February 2013 | |
| 6. Older People and disabled | Negative – Self funding Service Users that subsequently qualify for DASS funding may be adversely affected where the home involved does not accept the local authority fees. Funding arrangements are examined on an individual basis and may involve third party payments. The risk of needing to relocate to alternative accommodation is low. | Develop guidance for self funders and their families to explain the options available to them and the Choices of accommodations legislation. | M Price | February 2013 | |
| | Proposal Issues | | | | |
| Page 119 Older People and disabled | <p>OPTION 2 RESIDENTIAL - including EMI Fee based on 50 Beds at 90% occupancy</p> <p>Positive Setting the occupancy level at 90% allows homes to more readily accept respite placements in that it recognises that respite can create gaps in occupancy. The full capital return value is achieved at a 90%. Returns also increase if occupancy of 90% or more is achieved.</p> <p>Negative There are only 5 residential homes with a capacity of 50 beds or more. As a consequence homes with less than 50 beds would be more motivated to introduce a third party payment. A third party arrangement may not be available to all service users thereby reducing choice.</p> | <p>The Council has offered support from the Finance Team to review the business model of homes on an individual basis to enable them to work within the fees proposed.</p> <p>Homes of less than 25 beds will be contacted directly to assess their stability followed by the balance of homes with less than 50 beds.</p> | Head of Finance | <p>October 2012 Onwards</p> <p>February 2013</p> | |

| | | | | | |
|---|---|---|--------------------|--|------------------------------|
| | Due to the low number of homes having 50 beds or more this proposal has an increased risk of closures | The Council's Home Closure Policy would be followed to ensure appropriate action is taken. | | February 2013 | |
| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
| 8 Older People and disabled Page 120 | <p>OPTION 2NURSING -including EMI Fee based on 50 Beds at 90% occupancy</p> <p>Positive Setting the occupancy level at 90% allows homes to more readily accept respite placements thereby increasing availability. The full capital return value is achieved at 90% occupancy making the home more stable beyond this level.</p> <p>Negative There are currently only 12 out of 42 homes that have a capacity of 50 beds or more. As a consequence homes with less than 50 beds would be more motivated to charge a top up or reduce the quality of care they provide while remaining compliant to registration standards or have a higher risk of closure.</p> <p>Due to the low number of homes having 50 beds or more this proposal has an increased risk of closures</p> | <p>The Council has offered support from the Finance Team to review the business model of homes on an individual basis to enable them to work within the fees proposed.</p> <p>Homes of less than 25 beds will be contacted directly to assess their stability followed by the balance of homes with less than 50 beds.</p> <p>The Council's Home Closure Policy would be followed to ensure appropriate action is taken</p> | Head of Finance | <p>From October 2012 onwards</p> <p>February 2013</p> <p>February 2013</p> | |

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|---|---|-----------------|--|-----------------------|
| 9 Older People and disabled | <p>OPTION NEW RESIDENTIAL including EMI Fee based on 37 beds at 95% Occupancy</p> <p>Positive Basing the model on the average number of beds in the market will increase stability in the market. The increase in fees although small also has the potential to increase the number of places available at the Councils usual cost None identified</p> <p>Negative Only 9 homes out of 41 homes have a capacity of 37 beds or more. As a consequence homes with less than 37 beds would be more motivated to charge a top up or reduce the quality of care they provide while remaining compliant to registration standards or have a higher risk of closure.</p> | <p>The Council has offered support from the Finance Team to review the business model of homes on an individual basis to enable them to work within the fees proposed.</p> <p>Homes of less than 37 beds will be contacted directly to assess their stability.</p> <p>The Council's Home Closure Policy would be followed to ensure appropriate action is taken</p> | Head of Finance | <p>From October 2012 onwards</p> <p>February 2013</p> <p>February 2013</p> | |

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|---|---|---|------------------------|--|-----------------------|
| <p>10 Older People and disabled</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 122</p> | <p>OPTION NEW NURSING -including EMI Fee based on 37 beds at 95% Occupancy</p> <p>Positive Basing the model on the average number of beds in the market will increase stability in the market. The increase in fees although small has the potential to increase the number of places available at the Councils usual cost</p> <p>Negative There are currently 24 out of 41 homes that have a capacity of 37 beds or more. As a consequence homes with less than 37 beds would be more motivated to charge a top up or reduce the quality of care they provide while remaining compliant to registration standards or have a higher risk of closure.</p> | <p>The Council has offered support from the Finance Team to review the business model of homes on an individual basis to enable them to work within the fees proposed.</p> <p>Homes of less than 37 beds will be contacted directly to assess their stability.</p> <p>The Council's Home Closure Policy would be followed to ensure appropriate action is taken</p> | <p>Head of Finance</p> | <p>From October 2012 onwards</p> <p>February 2013</p> <p>February 2013</p> | |

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|---|---|---|-----------------------------|-----------------------------------|-----------------------|
| 11. Older People and disabled Page 123 | <p>It is recognised that some homes may choose to terminate the residency of service users that are council funded. Reasons for taking this action may include a preference to accommodate private clients only at a higher fee or the absence of a third party contribution.</p> <p>Negative; Council may be required to assist service users to choose alternative accommodation.</p> <p>Moving individual can be detrimental to the health and wellbeing of the individual.</p> | <p>DASS Locality Team would be responsible for reviewing the needs of affected service users and would work with them and their family, carer, representative or advocate finding suitable alternative accommodation.</p> <p>Dependant upon the outcome of the assessment. The action taken would be considered on a case by case basis.</p> <p>The Council would not move any individual where to do so would be detrimental to their immediate health and welfare</p> | Head of Assessment Services | February 2013 onwards as required | |

Section 5a: Where and how will the above actions be monitored?

Capacity in the Market is monitored in the Quality Assurance Team
Homes are asked on a regular basis to confirm any additional charges they levy. Taking responsibility to pay and recover third party top ups from September 2013 will increase market intelligence in this area.

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

Negative impacts have been identified

Section 6: What research / data / information have you used in support of this process?

1. Laing and Buisson Report Wirral April 2011
2. Market Intelligence re Top up, market capacity, vacancies, council funded places..
3. Questionnaire completed by Home Owners February 2012
4. Consultation feedback received in relation to the Option 2 Proposals as presented to Cabinet on 18 October 2012
5. Experience of current practice

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

YES

Home Owner Consultation

The Council launched a consultation process on 22 October 2012 and accepted written feedback to 26 November 2012. The Council also invited individual questions from home owners during this period which were subsequently shared with all home owners including responses.

Service Users and their families

No –

It would not be appropriate to consult the public on what fee levels should be. Furthermore until the fees are set and offered to Home owners, they will not be in a position to declare if they are willing to accept them and enter into a contract with the Council on it's usual terms and conditions or not. Prior to this time the Council would not want to cause any unnecessary upset or anxiety for service users and their families. For homes that accept the final fees there will be no impact on the service user or their family. If a home owner declines the fees offered, arrangements will be made to review the needs of each individuals affected and explore with them their family, carer or representative the options available to them

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

The Consultation process was undertaken electronically with all home owners.

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) **Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)**
- b) **Include any potential positive impacts as well as negative impacts? (section 5)**
- c) **Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?**
- d) **Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?**

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WIRRAL COUNCIL

CABINET – 20TH DECEMBER, 2012

| | |
|--------------------------------------|--|
| SUBJECT: | <i>CHANGE OF THE WIRRAL ALTERNATIVE SCHOOLS PROGRAMME (WASP) FROM A SERVICE TO A SCHOOL</i> |
| WARD/S AFFECTED: | <i>ALL</i> |
| REPORT OF: | <i>JULIA HASSALL ACTING DIRECTOR OF CHILDREN'S SERVICES</i> |
| RESPONSIBLE PORTFOLIO HOLDER: | <i>COUNCILLOR TONY SMITH</i> |
| KEY DECISION? | <i>NO</i> |

1.0 EXECUTIVE SUMMARY

- 1.1 Cabinet are asked to approve arrangements following the directive from the Department for Education to delegate budget and staffing responsibilities to the Management Committee of Pupil referral Units (PRU) from 1st April 2013. The Wirral Alternative Schools Programme (WASP) is the Wirral PRU.
- 1.2 There is no requirement for an exemption report.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Department for Education (DfE) have proposed a change to the management of Alternative Provision by Local Authorities. Alternative provision includes Pupil Referral Units.

The publication from the DfE entitled "Funding, staffing and legislation for pupil referral units (PRUs) from 1 April 2013" (Appendix 1) was updated on 9th November 2012 and states:

The Government is committed to raising standards in alternative provision and believes that the varied needs of pupils and schools can be best met by giving education professionals greater autonomy.

As part of this, the Government is giving PRU Management Committees delegated budgets and control of staffing, as outlined in the schools White Paper 2010 and, in part, enacted by the Education Act 2011.

This will essentially give PRUs similar autonomy to maintained schools. In addition, PRUs now also have the opportunity to take advantage of the freedoms and benefits offered by academy status (Appendix 1).

2.2 This directive will have an impact on Wirral's Pupil Referral Unit – Wirral Alternative Schools Programme (WASP). Currently WASP is a Local Authority Service and is controlled by the policies and practices of Wirral Local Authority. The directive from the Department for Education will result in WASP becoming a maintained school and the Management Committee will take over the delegated powers similar to other schools maintained by Wirral Local Authority.

3.0 RELEVANT RISKS

3.1 If the school is not properly constituted and resourced, with an effective management committee giving leadership to the school then it will fail.

4.0 OTHER OPTIONS CONSIDERED

4.1 Although other options exist such as Federation with another school or an Academy these have not been considered at this time. In order for a Federation to be considered, WASP must become a maintained school. This Council decision will make WASP a maintained school from 1 April 2013. The alternatives related to becoming part of a Federation or an Academy may be considered by the Management Committee from 1 April 2013.

5.0 CONSULTATION

5.1 The change to the delegated powers has been discussed by the current Management Committee and a transition action plan has been presented to the management committee. Discussions have taken place between officers of the Local Authority, the Chair of the current Management Committee and the Headteacher of WASP. These discussions have included consideration of:

- A revised Instrument of Government – which details the structure of the Management Committee in line with DfE guidelines.
- A programme of capital expenditure to improve the building currently occupied by WASP.
- Initial considerations regarding the contractual requirements of all staff associated with WASP and the changes required for the new status of WASP.
- Initial considerations regarding the policies that will be adopted by WASP in line with other Wirral Maintained Schools.
- Initial considerations of the land and buildings and support services that will be associated with WASP as a Maintained School.

The following beneficial outcomes will result from this change for the Pupil referral Unit:

- The delegation of the budget will enable the Headteacher and Management Committee to function in a similar way to other Governing Bodies in Wirral.
- The delegation of staffing responsibilities will enable the Headteacher and Management Committee to function in a similar way to other Governing Bodies in Wirral.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 Voluntary, community and faith organisations will not be involved in the changes.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 FINANCE

WASP is located at the Solar Campus. The building which is listed, is in need of some maintenance and repairs. A conditions and roof survey will be carried out. Upon the findings and if required a capital programme will be agreed with the Management Committee and included in the 2013-14 capital programme, using existing DFE funding allocated to the authority.

Amendments to primary legislation giving PRU management committees delegated budgets from 1 April 2013 have already been made (Education Act 2011). The DfE expected to lay regulations setting out more detail (School and Early Years Finance Regulations) in November 2012. This will allow PRUs to allocate and spend the budgets delegated to them without seeking consent from their local authority and take actions such as prioritising their spending and making quicker decisions so they can better respond to the needs of parents.

The WASP budget will be set using the funding formula for Alternative Provision to be introduced from 1st April 2013. All direct state-funded AP institutions (including PRUs) will receive base funding of £8000 per place, giving WASP a budget of £640,000. This will be topped up by an amount of funding per pupil from the commissioning LA or school for each pupil admitted to the PRU. In 2013-14 the Minimum Funding Guarantee will ensure that schools who are full receive no less than minus 1.5% of their previous year's budget, regardless of the pupil "top ups" agreed.

7.2 IT

The programme of capital expenditure does not include any IT implications.

7.3 STAFFING

Control of staffing will be delegated to The Management Committee. Wirral Local Authority will continue to be the employer. WASP will adopt Wirral policies associated with staffing that are proposed by Wirral HR department specifically relating to schools. Contractual requirements of all staff associated with WASP will be scrutinised by the appropriate HR department and appropriate consultation with staff and Professional Associations will take place prior to delegation to the Management Committee.

7.4 ASSETS

All land and buildings will remain the possession of Wirral Local Authority. The land and buildings associated with WASP and the responsibilities that will be delegated to The Management Committee will be clearly identified.

8.0 LEGAL IMPLICATIONS

8.1 Statements of Particulars will require changing and re-issuing for all staff.

9.0 EQUALITIES IMPLICATIONS

9.1 There are no equality implications at this stage.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are no other relevant environmental issues at this stage.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 The Solar Building is a Grade 2* listed building due to the pioneering nature of its design. Any alteration will require Listed Building consent.

12.0 RECOMMENDATION/S

12.1 Recommendation 1: Wirral Alternative Schools Programme (WASP) is transferred from a service to a Maintained School.

Recommendation 2: Budget responsibilities for WASP are transferred to the WASP Management Committee, in line with current Government funding arrangements, from 1 April 2013.

Recommendation 3: Staffing responsibilities for WASP are transferred to the WASP Management Committee. Appropriate consultation regarding any required changes to contracts of employment and Statements of Particulars are dealt with prior to 1 April 2013.

Recommendation 4: WASP is given the same level of autonomy as other Wirral Maintained Schools from 1 April 2013.

Recommendation 5: A detailed plan will be produced to enable the transfer arrangements to be monitored closely by the Lead Member for Children's Services in association with the Acting Director of Children and Young People's Department.

13.0 REASONS FOR RECOMMENDATIONS

13.1 This is a national directive from the Department for Education.

REPORT AUTHOR: Vivian Stafford
Strategic Services Manager ((Post 16 Commissioning & Economic Regeneration)
telephone: (0151 666 4305)
email: vivianstafford@wirral.gov.uk

APPENDICES

- Appendix 1 Department for Education

Funding, staffing and legislation for pupil referral units (PRUs) from 1 April 2013 (General article, Updated: 09 November 2012)
- Appendix 2 Extract from Page 2/3 of the document entitled

Alternative Provision:

A Guide for Local Authorities, Headteachers and Governing Bodies of Schools, Pupil Referral Units and other Providers of Alternative Provision.

Appendix 3

Instrument of Government

Wirral Alternative Schools Programme – Pupil Referral Unit

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|-------------|
| | |

Equality Impact (from May 2012)

Assessment Toolkit

Section 1: Julia Hassall, Acting Director, CYPD

EIA lead Officer: Vivian Stafford

Email address: vivianstafford@wirral.gov.uk

Head of Section: David Armstrong

Chief Officer: Julia Hassall

Department: CYPD

Date: 26 November 2012

Section 2: What Council proposal is being assessed?

Change of the Wirral Alternative Schools Programme (WASP) from a service to a school as directed by The Department for Education.

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes / No

If 'yes' please state which meeting and what date

Cabinet – 13 December 2012

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/children-young-people>

Section 3: Does the proposal have the potential to affect (please tick relevant boxes)

Services

The workforce

Communities

Other (please state eg: Partners, Private Sector, Voluntary & Community Sector)

The Management Committee for the Wirral Schools Alternative Programme will have increased powers to manage the schools delegated budget and staffing.

If you have ticked one or more of above, please go to section 4.

None (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

Eliminates unlawful discrimination, harassment and victimisation

Advances equality of opportunity

Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

No (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|---|--|--|--------------------|------------------|------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Section 5a: Where and how will the above actions be monitored?

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

The change proposed relates to the levels of delegation of an existing Management Committee only.

Section 6: What research / data / information have you used in support of this process?

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes / No – (please delete as appropriate)

If 'yes' please continue to section 8.

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Appropriate staff from Wirral HR and CYPD departments will explain the changes to the staff and offer the facility of individual consultations.

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) **Include any potential positive impacts as well as negative impacts?** (section 5)
- b) **Send this EIA to your Head of Service for approval.**
- c) **Review section 5 once consultation has taken place and sent your completed EIA to your Head of Service for approval then to your Chief Officer for re-publishing?**



Department for Education

Funding, staffing and legislation for pupil referral units (PRUs) from 1 April 2013.

General article

Updated: 09 November 2012

The Government is committed to raising standards in alternative provision and believes that the varied needs of pupils and schools can be best met by giving education professionals greater autonomy.

As part of this, the Government is giving PRU management committees delegated budgets and control of staffing, as outlined in the schools White Paper 2010 and, in part, enacted by the Education Act 2011.

This will essentially give PRUs similar autonomy to maintained schools. In addition, PRUs now also have the opportunity to take advantage of the freedoms and benefits offered by academy status. Following his review of alternative provision, Charlie Taylor recommended that most PRUs convert to academies by 2018.

Next steps on funding

Amendments to primary legislation giving PRU management committees delegated budgets from 1 April 2013 have already been made (Education Act 2011). We expect to lay regulations setting out more detail (School and Early Years Finance Regulations) in November 2012. This will allow PRUs to allocate and spend the budgets delegated to them without seeking consent from their local authority and take actions such as prioritising their spending and making quicker decisions so they can better respond to the needs of parents.

PRU funding arrangements will be changing from 1 April 2013, in line with changes to 2013/14 school finance. All direct state-funded AP institutions (including PRUs) will receive base funding of £8000 per place, topped up by funding from the commissioning LA or school for each pupil admitted to the PRU.

It is important that PRUs prepare for this change now, and start to engage actively with their maintaining LA to make sure that they and the LA prioritise clarification of:

- budgets, based on current costs;
- place numbers, base funding and top-up funding arrangements that will give them their budgets for the next year; and
- support arrangements they can expect from the LA in managing and administering their budget.

The full related **guidance** on the new funding arrangements is available on this page.

On staffing

Regulations will be laid during January 2013 to give PRU management committees control over staffing from April 2013. This will allow PRUs to make decisions about staffing – for example, appointing and managing staff, without needing to seek agreement from the local authority.

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Appendix 2 – extract from Page 2/3 of the document entitled

ALTERNATIVE PROVISION :

A GUIDE FOR LOCAL AUTHORITIES, HEAD TEACHERS AND GOVERNING BODIES OF SCHOOLS, PUPIL REFERRAL UNITS AND OTHER PROVIDERS OF ALTERNATIVE PROVISION

As amended by the Education (Pupil Referral Units) (Application of Enactments) (England) (Amendment) Regulations 2012, which came into force on 31 May 2012 and which apply the Academies Act 2010, with modifications, to pupil referral units.

Key Points

Local authorities are responsible for arranging suitable education for permanently excluded pupils, and for other pupils who – because of illness or other reasons – would not receive suitable education without such arrangements being made.

- Governing bodies of schools are responsible for arranging suitable full-time education from the sixth day of a fixed period exclusion.
- Schools may also direct pupils off-site for education, to help improve their behaviour.
- Statutory guidance sets out the Government's expectations of local authorities and maintained schools who commission alternative provision and pupil referral units. The Government expects those who are not legally required to have regard to the statutory guidance to still use it as a guide to good practice.
- Information or guidance about pupil referral unit staffing, budgets, and any further regulations will be added to this document in due course.

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INSTRUMENT OF GOVERNMENT

Wirral Alternative Schools Programme – Pupil Referral Unit

1. The name of the school is Wirral Alternative Schools Programme (WASP).
2. The DFE number of WASP is 344 1011.
3. The address of WASP is:

Wirral Alternative Schools Programme
235 Leasowe Road
Wallasey
Wirral
CH45 8RE
4. The name of the Management Committee is:

“The Management Committee of WASP”
5. The Management Committee shall consist of:
 - a. 1 parent member
 - b. 2 staff members
 - c. 3 LA members
 - d. 6 community members
6. Total number of members is 12.
7. The term of office for the parent member is 2 years.
8. This instrument of government comes in to force on 1 April 2013.
9. This instrument was made by the order of Wirral Borough Council on [insert date].
10. A copy of the instrument must be supplied to every member of the Management Committee (and the teacher in charge if not a member).

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WIRRAL COUNCIL

CABINET

20TH DECEMBER 2012

| | |
|--|---|
| SUBJECT: | TENANCY STRATEGY STATEMENT |
| WARD/S AFFECTED: | ALL |
| REPORT OF: | DIRECTOR OF REGENERATION, HOUSING & PLANNING |
| RESPONSIBLE PORTFOLIO HOLDER: | COUNCILLOR GEORGE DAVIES |
| KEY DECISION? | YES |

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to seek Members' views on the Tenancy Strategy Statement in Appendix 1 prior to wider consultation with Registered Providers of Social Housing and the general public. The development of a tenancy strategy by local authorities is a statutory requirement of the Localism Act 2011.

2.0 BACKGROUND AND KEY ISSUES

2.1 The Government expects a tenancy strategy to set out the local authority's vision for the way in which social housing is let within their area. In particular, it must address the way in which the authority expects the new type of tenancy introduced by the act (the fixed-term tenancy) to be used by all providers in the local authority area. Fixed term tenancies can only be provided to new tenants and the Government recommends they last for a minimum of five years but can be shorter if necessary.

2.2 The Strategy must contain the matters to which Registered Providers of social housing (RPs) must "have regard" in formulating policies relating to:

- a) the kind of tenancies they will grant;
- b) the circumstances in which they will grant a tenancy of a particular kind;
- c) where they grant tenancies for a certain term, the lengths of the terms; and
- d) the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

A Tenancy Strategy therefore assists the Council in protecting certain groups of people in the use of Fixed Term Tenancies as well as being aligned to key actions within the Council's Strategic Housing Plan.

2.3 In developing the Strategy Statement, the Council has obtained the views of RPs with social housing stock in the Borough on their current or intended use of fixed term tenancies. Of the 11 RPs that responded to the request for views, none had yet issued any fixed term tenancies. Family Housing Association, Riverside and Wirral Partnership Homes (WPH) intend to use fixed term tenancies in the future, representing two thirds of Wirral's social housing stock.

2.4 RPs were required to produce Tenancy Policies any time from April 2012 and they must be published in order to begin using the new tenure flexibilities under the Localism Act (although having a Tenancy Policy does not necessarily mean the RP has decided to use fixed term tenancies). Of the RPs with housing stock in the Borough, Liverpool Housing Trust, Riverside and Your Housing Group (including Arena and Leasowe Community Homes) have informed the authority of their draft or interim policies. RP Tenancy Policies must “have regard” to the authority’s Tenancy Strategy and so other RPs are waiting for the local authorities to finalise their Tenancy Strategies before developing their own.

2.5 The majority of RPs responding to the questionnaire will not be using fixed term tenancies for a number of reasons, including:

- fixed term tenancies not supporting their philosophies to develop and maintain sustainable communities;
- the administrative burden that fixed term tenancies would create;
- the nature of their stock (e.g. high numbers of one and two bedroom flats) means the problems of under occupation don’t feature as widely for them; and
- that changes in tenants’ circumstances don’t necessarily fit in with the end of the fixed term.

The majority of tenancies issued will be of at least five years’ duration however both Riverside and WPH have stated they may issue them for less than five years in certain circumstances.

2.4 The Council’s Tenancy Strategy Statement has also been developed by having regard to local housing market conditions, current and projected population make-up, the Council’s Social Housing Allocations Policy and its Homelessness Strategy. As a result, the Strategy Statement identifies specific groups of people which should not be offered fixed term tenancies and identifies groups to which RPs should grant a further tenancy on the ending of a fixed term tenancy. The Statement will be reviewed annually to ensure it is kept relevant.

2.5 It should be noted that there is no guidance from Government stating if and how authorities should monitor whether RPs are “having regard” to the local authority’s Tenancy Strategy. Members should also be aware that there are no powers to enforce the Strategy. The Council will, however, have an overview of RPs’ intentions on the use of fixed term tenancies. RPs will be required to inform the Council when they intend to issue fixed term tenancies and on what properties. As RPs are regulated and inspected by the Homes & Communities Agency (HCA) in relation to their Tenancy Standards within the Regulatory Framework, the Council will use this process to establish that RPs are issuing, terminating and extending fixed term tenancies in accordance with their own Tenancy Policies and that this has regard to the Council’s Tenancy Strategy.

2.6 The draft Tenancy Strategy Statement is within Appendix 1.

3.0 RELEVANT RISKS

3.2 The Tenancy Strategy needs to be clear about the issues which RPs should have regard to when setting their Tenancy Policies. This will lead to more balanced and sustainable communities and protect households that the local authority views as being vulnerable and more suited to lifetime tenancies.

4.0 OTHER OPTIONS CONSIDERED

4.1 The development of a Tenancy Strategy is a statutory requirement of the Localism Act 2011 and so no other options have been considered.

5.0 CONSULTATION

5.1 To assist with the development of an initial draft document, questionnaires were sent to all RPs with social housing stock in the Borough to gain views on their current or future use of fixed term tenancies. 11 RPs responded and these responses have helped shape the Tenancy Strategy Statement.

5.2 Following Cabinet Member's comments on the draft Tenancy Strategy Statement contained within Appendix 1, RPs will be asked to comment on the draft Statement and at the same time wider consultation will occur through the draft Statement's publication on the internet with a consultation questionnaire.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 None.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 The Strategy has been prepared using existing Council staffing resources and will be made available for comment through the Council website. There are no financial or asset implications.

8.0 LEGAL IMPLICATIONS

8.1 The development of a Tenancy Strategy is a statutory requirement of the Localism Act 2011.

8.2 There is no guidance from Government stating if and how authorities should monitor whether RPs are "having regard" to the local authority's Tenancy Strategy and the Council has no powers to enforce the Strategy. The Council will, however, have an overview of RPs' intentions on the use of fixed term tenancies. As RPs are regulated and inspected by the HCA in relation to their Tenancy Standards within the Regulatory Framework, the Council will use this process to establish that RPs are issuing, terminating and extending fixed term tenancies in accordance with their own Tenancy Policies and that this has regard to the Council's Tenancy Strategy.

9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review is attached (<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/regeneration-housing-planning>).

10.0 CARBON REDUCTION IMPLICATIONS

10.1 None.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 None.

12.0 RECOMMENDATION/S

12.1 Members approve the Tenancy Strategy Statement in Appendix 1 prior to wider consultation with RPs and the general public.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 The recommendations are key to the development of a Tenancy Strategy which is a statutory requirement of the Localism Act 2011.

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APPENDICES

Appendix 1 – Draft Tenancy Strategy Statement

REFERENCE MATERIAL

1. Questionnaires received from RPs on their current or intended use of fixed term tenancies;
2. Draft RP Tenancy Policies;
3. Tenancy Strategies of other local authorities;
4. “Writing an effective tenancy strategy”, Local Government Association, June 2012; and
5. “Local decisions on tenure reform”, Shelter, July 2012.

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|-----------------|------|
| | |

Tenancy Strategy for Wirral Council

Draft Document for Consultation

1. INTRODUCTION

The Localism Act 2011 introduces a statutory requirement for local authorities to develop a tenancy strategy. This strategy statement is expected to set out the local authority's vision for the way in which social housing is let within their area. In particular, it must address the way in which the authority expects the new type of tenancy introduced by the act (the fixed-term tenancy) to be used by all providers in the local authority area.

This Statement must contain the matters to which Registered Providers of social housing (RPs) must "have regard" in formulating policies relating to:

1. the kind of tenancies they will grant;
2. the circumstances in which they will grant a tenancy of a particular kind;
3. where they grant tenancies for a term certain, the lengths of the terms; and
4. the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

The Strategy Statement will set out the Council's position on how it sees Registered Providers developing and implementing their own tenancy policies and the circumstances the Council is expecting Providers to consider in relation to decision making on the allocation and renewal of tenancies. Whilst it is a statutory function for the Council to publish a tenancy strategy statement there are no powers to enforce this strategy. Its purpose is to ensure some level of consistency across Registered Provider policies, clarity and transparency for prospective and exiting tenants and continuation of the strong partnership between the Council and Registered Providers in delivering services to local people.

It is proposed to review this Strategy annually to ensure it is kept up to date and relevant.

2. DEVELOPING THE STRATEGY AND LINKS TO WIDER POLICY

A Tenancy Strategy for Wirral assists in fulfilling two of the seven key aims of the Borough's Housing Strategy 2011-2026:

1. A need to make better use of the existing stock across all sectors and make homes accessible to meet current and future local housing need; and
2. A need to increase the availability of housing to respond to changes in household projections and deliver affordable homes.

The Strategic Housing Plan contains the following key actions to which the Tenancy Strategy will align:

1. *To maximise the use of social housing stock within the Borough.* Fixed term tenancies could increase turnover of tenants within social housing thereby increasing availability to those who most need this tenure of housing;
2. *Develop and produce a Strategic Tenancy Strategy;*
3. *Responding to changes in the local housing market and people's ability to purchase a home.* Due to current market conditions, first-time buyers are struggling to access mortgages due to the high deposits needed and demand for private rented properties

is high. Fixed term tenancies could assist these residents as there would potentially be more availability in the social sector; and

4. *To improve access to housing options for young people.* Fixed term tenancies, as well as potentially increasing housing availability, may be more suited to younger households whose financial circumstances may improve throughout the tenancy period.

This Tenancy Strategy also has regard to the Borough's Homelessness Strategy and Social Housing Allocations Policy by ensuring vulnerable groups are protected from homelessness and ensuring fixed term tenancies are advertised as such through Property Pool Plus. Will this be possible without restricting access to older people – of could a tenancy be advertised as FT unless allocated to an older person?

3. LOCAL HOUSING MARKET CONDITIONS

The introduction of the fixed term tenancy may prove useful in certain circumstances to assist in freeing-up social housing. Demand for this tenure-type is high and will continue to increase:

- Social housing in Wirral represents 15.8% of all housing stock¹, which is slightly lower than both the North West region (17.9%) and nationally (17.0%)².
- Figures for Wirral from the sub-regional Choice Based Lettings system (Property Pool Plus) show:
 1. There are 3,289 residents currently registered for social housing, with a further 4,064 awaiting assessment and 14,000 having not re-registered from the former Wirralhomes system.
 2. The top two priority bands under Property Pool Plus (urgent and high priority) have a total of 855 applicants currently registered representing 26% of those registered. This percentage is expected to fall as the number registered increases.
 3. Under-occupying households make up 13% of applicants in the high priority banding, almost three times as many as under Wirralhomes.
- In Wirral, over two thirds of newly forming households (63.4%)³ are currently unable to afford general open market homes for sale. They will therefore be looking for other housing solutions including the private and social rented sector for properties for the longer term or until they can afford to buy.
- The 2011 mid-year population estimate shows that the population of Wirral now stands at 319,800 suggesting that the population has grown by 7,507 people (2.4%) since 2001.
- It is projected that the population will increase by 1.2% between 2011 and 2021⁴. The age profile shows a marked projected increase in the older population and a decrease in the number of young people:
 1. The population of those aged 60 and over in Wirral is due to increase by 12%
 2. The population of those aged 90 and over in Wirral is due to increase by 45%
 3. The population of those aged between 16 and 24 is due to decrease by 17%

¹ Wirral Area Mapping Project data, April 2012

² English Housing Survey 2010-11

³ Strategic Housing Market Assessment 2009 Update – p47 para ii

⁴ Interim 2011-based sub national population projections, ONS, Sept 2012

- Feedback from the Housing Strategy consultation with young people highlights that over 85% of 16-24 year olds who responded thought it was important to increase the availability of affordable homes⁵ (including social rented homes).

The issuing of fixed term tenancies to certain household needs careful consideration. Overall there are an estimated 29,741 (20%) households in Wirral with one or more members identified as being vulnerable or having a special need, exceeding the national average of 14%⁶. Of these, 25% i.e. 7435 live in social rented housing. This implies that almost one third of social tenancies in Wirral contain one or more members identified as being vulnerable or having a special need. There is therefore a greater demand in Wirral for social housing from vulnerable households who may require greater stability of tenure than other household types and for who fixed term tenancies may not be appropriate.

4. TYPES OF TENANCY OFFERED

The main types of tenancies RPs will be issuing in Wirral for their social, affordable and intermediate rented properties are as follows:

1. Introductory (starter or probationary) tenancies

These tenancies are used prior to fixed term or assured tenancies being issued. They are for new social housing tenants and normally last for 12 months as a trial period and can be automatically converted into fixed term or lifetime tenancies if the tenancy agreement hasn't been broken.

2. Fixed term tenancies

These can be provided to new tenants. The Government recommends they last for a minimum of five years but can be shorter if necessary. RPs should have regard to the Council's recommendations set out below in relation to the circumstances in which fixed term tenancies can be granted and renewed and also the length of time they are issued for.

3. Lifetime (assured) tenancies

The majority of social housing tenancies issued are assured tenancies and can apply to new tenants, tenants transferring from one RP to another or moving properties with the same RP (known as management moves).

5. CIRCUMSTANCES IN WHICH RPs SHOULD GRANT A TENANCY OF A PARTICULAR KIND

RP's will be expected to allocate properties in line with the Homes and Communities Agency (HCA) tenancy management standards and practices. In respect of those RPs who are Property Pool Plus (PPP) partners, advertisements and the allocations of properties will be as per the PPP allocation policy. RP's can currently select and identify the type of tenancy which will be granted as part of the initial advertisement of properties. PPP will assess these and any fixed term tenancies which are being advertised for a period of less than 5 years will be challenged. As part of this consultation the Council is seeking views from RP's on how the decision on the tenancy type should be built into the PPP advertisement and allocation process.

⁵ Wirral's Housing Strategy 2011-26, page 18

⁶ Wirral's Strategic Housing Market Assessment 2007

However in considering the type of tenancy to be offered for a property, RPs should have regard to the following:

1. Sustainable communities – the need to create and sustain balanced and mixed communities;
2. Individual circumstances – there will be tenancy types that are more suitable than others for particular households, details of which are outlined below; and
3. Housing demand – ensuring that housing need and demand in the area of the properties being let is considered. Fixed term tenancies may be more appropriate in areas of high demand or where the need for a particular house-type is in demand. The Council can assist RPs in this decision making process on a regular basis.

Lifetime tenancies will be more suited to certain potential tenants, particularly where there is a need for long term stability. The Council seeks views from stakeholders on which groups should be offered lifetime tenancies after the standard probationary period, however the Council is proposing they include:

1. Older people aged 55 and over;
2. Prospective tenants that have a lifelong need for care and / or support;
3. Prospective tenants that require an adaptation which will be required for life;
4. Prospective tenants of specialist accommodation.
5. High risk offenders and Schedule 1 offenders
6. Applicants with severe long term health conditions, such as those people receiving Employment Support Allowance in the "Support Group".
7. Existing tenants granted with a lifetime tenancy after Section 154 of the Localism Act 2011 was enacted who are mutually exchanging their property (unless they are moving to accommodation being let on affordable rent terms)

6. LENGTH OF FIXED TERM TENANCIES

The Homes & Communities Agency expect that most fixed term tenancies are issued for five years. They state that RPs should set out any exceptional circumstances in which they will grant fixed term tenancies for a term of less than five years in general needs housing.

The Council support the views of the Homes and Communities Agency that 5 year fixed term tenancies are issued to give some longer term stability to households All fixed term tenancies issued will be in addition to an introductory tenancy.

The Council expects that tenancies shorter than the 5 year period should only be issued in exceptional circumstances, where appropriate, for the individuals or property. Examples of exceptional circumstances include:-

- Where a property is part of a Leasing arrangement and is not in the ownership of the Registered Provider and would need to revert into private ownership;
- Supported Housing schemes where it's anticipated that the tenant will move on to more settled accommodation within a period of less than five years; and
- Lettings carried out for management reasons such as those for tenants moving into properties to allow emergency works to be carried out in their existing home
- Offers of accommodation to RP staff moving into the area in order to take up employment.

7. CIRCUMSTANCES IN WHICH REGISTERED PROVIDERS SHOULD GRANT A FURTHER TENANCY ON THE ENDING OF A FIXED TERM TENANCY

Fixed term tenancies expiring **will not** usually be renewed where:

1. The household is under-occupying the property or the property is overcrowded, subject to alternative accommodation being available which can be offered to the tenant;
2. The household's financial circumstances enable them to access market housing and there is no reason to seek to retain the household in the area for the purpose of retaining a balanced community;
3. There has been a default on a tenancy agreement (such as non payment of rent or anti-social behaviour);
4. The property was adapted during the tenancy period for someone with a disability and that person is no longer resident there;
5. A person has been granted a property in order to receive support but then refuses to accept that support; or
6. It is identified the property is inappropriate for an individual's needs.

Under these circumstances, no tenancy should be ended without a move-on plan and the RP should engage with the tenant at least six months prior to the end of the tenancy to provide support, advice and assistance in accessing alternative accommodation.

Fixed term tenancies expiring **will** usually be renewed where:

1. The household includes children of school age and there is no alternative accommodation suitable to the households needs. However it must be recognised that children stay with their parents beyond school age, often due to a lack of available affordable housing, and these must be considered on an individual basis.
2. The household includes a disabled person with adaptations to the home that are still required;
3. The household receives some form of housing support or is recognised as being vulnerable; or
4. The tenant or a household member is seriously or terminally ill.
5. The tenant would be approaching the age of 55 within the next 3 years and the property is suitable for a lifetime tenancy.

Other factors informing the decision on renewal will include:

1. The conditions of the tenancy are being maintained; and
2. Where the household is playing an active role in the community.

8. MONITORING AND ENFORCEMENT

There is no guidance from Government stating if and how authorities should monitor whether RPs are "having regard" to Tenancy Strategies. Wirral Council will be aware of fixed term tenancies being issued through the following:

1. The Council requires that any RPs' draft Tenancy Policies are sent to the Housing Strategy Team in order that the Council is aware of RP's intentions to issue fixed term tenancies and they comply with and have regard to the Council's Tenancy Strategy.
2. The Council requires that RPs inform the Council of any fixed term tenancies issued as part of the annual Wirral Area Mapping Project data collection.
3. The Council is made aware of proposed tenancy types in new-build RP properties.
4. Properties advertised through Property Pool Plus with fixed term tenancies will be made known to the Council

The Council will require RPs to inform them when they intend to issue fixed term tenancies and on what properties and will trust that RP's are issuing, terminating and extending fixed term tenancies in accordance with their own Tenancy Policies but that this has regard to the Council's Tenancy Strategy.

9. EQUALITY AND DIVERSITY

A draft Equality Impact Assessment Toolkit has been completed and can be seen in Appendix 1 of this Strategy Statement for comment.

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Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details

EIA lead Officer: Edward Kingsley

Email address: edwardkingsley@wirral.gov.uk

Head of Section: Ian Platt

Chief Officer: Kevin Adderley

Department: Regeneration, Housing & Planning

Date: 15 November 2012

Section 2: What Council proposal is being assessed?

Wirral's Tenancy Strategy Statement

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes

If 'yes' please state which meeting and what date

Cabinet – 13th December 2012

Please add hyperlink to where your EIA is/will be published on the Council's website

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/regeneration-housing-planning>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

Registered Providers of Social Housing (RPs) in Wirral and their new tenants.

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

Page 155

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|---|-------------|-----------|-----------------------|
| Disability | Positive – the Tenancy Strategy recommends that fixed term tenancies will not be used for prospective tenants where the household requires an adaptation to the home which is required for life. | | | | |
| Age | Positive – the Tenancy Strategy recommends that older people aged 55 and over are not offered Fixed Term Tenancies to ensure stability of tenure during later life. | | | | |
| Pregnancy & Maternity | Positive – the Tenancy Strategy recommends that where children are part of the household and an offer of a fixed term tenancy property has been made, a tenancy period of longer than five years is considered to ensure continuity of education or where stability is | | | | |

| | | | | | |
|----------------|---|--|--|--|--|
| | needed for other reasons relating to life chances. | | | | |
| Socio-economic | Positive – the Tenancy Strategy encourages the use of fixed term tenancies in certain circumstances which should increase the availability of social housing for low income households. | | | | |

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Section 5a: Where and how will the above actions be monitored?

Registered Providers of Social Housing (RPs) intending to produce Tenancy Policies will be expected to share drafts with the Council to make them aware of their intentions to issue Fixed Term Tenancies. These tenancies will also be monitored through annual Wirral Area Mapping Project (WAMP) returns; RPs will be expected to provide data relating to the tenancies of their properties. Properties with Fixed Term Tenancies advertised through Property Pool Plus and the proposed tenancy types of any new build schemes will also be made aware to us.

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

The Tenancy Strategy contains matters to which RPs must have regard in formulating policies relating to:

1. the kind of tenancies they will grant;
2. the circumstances in which they will grant a tenancy of a particular type;
3. where they grant tenancies for a certain term, the lengths of the terms; and
4. the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

The Strategy therefore aims to ensure there are no negative impacts on protected groups with the introduction of Fixed Term Tenancies. This will be kept under review.

Section 6: What research / data / information have you used in support of this process?

1. Wirral's Housing Strategy 2011-26
2. Strategic Housing Market Assessment 2009 Update
3. Office for National Statistics data
4. Responses from RPs to a questionnaire on their use of fixed term tenancies.

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why:

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Consultation with all RPs via questionnaires has already taken place. The draft Strategy will be sent to all for comment and made available on the website for public comment once approved by Cabinet in late December 2012.

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting its legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)
- b) Include any potential positive impacts as well as negative impacts? (section 5)
- c) Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?

- d) Review section 5 once consultation has taken place and send your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?

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WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|--------------------------------------|---|
| SUBJECT: | PROPOSAL TO CHANGE THE COUNCIL'S ENHANCED DISCRETIONARY SEVERANCE SCHEME |
| WARD/S AFFECTED: | ALL |
| REPORT OF: | CHIEF EXECUTIVE |
| RESPONSIBLE PORTFOLIO HOLDER: | EXECUTIVE MEMBER CORPORATE RESOURCES |
| KEY DECISION? | YES |

1. EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to provide Cabinet with a range of options to change the Council's Enhanced Discretionary Severance Scheme, including an update on the consultation process in relation to this.
- 1.2. Cabinet are asked to consider the options and the consultation feedback, and to make a decision in relation to changing the Council's current Enhanced Discretionary Severance Scheme.

2. BACKGROUND AND KEY ISSUES

- 2.1. The Council is facing a considerable financial challenge to reduce the net Council budget. The current position is that the Council is facing a budget deficit of approximately £109m over the next three years and a projected deficit of £39m for 2013/14. This will necessitate significant changes to the manner in which the Council conducts its business, which will impact the Council's workforce.
- 2.2. The Council currently employs its workforce on national and local conditions of service. The local conditions of service are subject to local agreement through a collective agreement with recognised Trade Unions (JNC Recognition Agreement with Trade Unions). The Council has a legal obligation to consult with recognised Trade Unions and staff on options to reduce the cost of the workforce and so reduce the potential numbers of job losses. The requirements for consultation are laid out in the Trade Union and Labour Relations (Consolidation) Act 1992 (TULRCA).
- 2.3. As part of the consultation, the Council is required to consult on the terms of the Enhanced Discretionary Severance Scheme. Consultation in relation to the proposal to change the Council's Enhanced Discretionary Severance Scheme formally opened on 12 November 2012.

- 2.4. During this period of consultation, the Council met with the recognised Trade Unions through a series of regular meetings, with the aim of seeking agreement and to consider the Trade Unions thoughts, ideas or suggestions in relation to the Council's budget shortfall for 2013-14.
- 2.5. All employees affected by the proposal to change the Council's Enhanced Discretionary Severance Scheme were written to on 23 November 2012. The letter informed employees that the Council had opened consultation with the Trade Unions in relation to changing the current scheme to a scheme that was more affordable for the Council.

3. THE COUNCIL'S ENHANCED DISCRETIONARY SEVERANCE SCHEME

3.1 Introduction

The Council has an Enhanced Discretionary Early Voluntary Retirement (EVR) and Severance (VS) scheme in place to be able to facilitate the release of an employee from their employment. Severance is where an employee leaves the organisation by mutual agreement and receives a compensatory payment (redundancy) for their loss of employment.

In addition for those employees who leave employment either through voluntary or compulsory redundancy who are aged 55 plus and members of the Local Government Pension Scheme, this process automatically triggers the early release of their pension. The early release of pension for employees over the age of 55 results in an additional cost to the Council. The costs can be paid back with interest over five years.

3.2 Requirements of the Enhanced Discretionary Scheme

The power to make a lump sum severance payment derives from the Local Government (Early Termination of Employment) (Enhanced Discretionary Compensation) (England & Wales) Regulations 2006. Regulation 6 of the regulations provides Local Authorities with a Enhanced Discretionary power to make severance payments up to 104 weeks pay. The Council's agreed scheme allows for payments up to 66 weeks.

The 2006 Regulations (Regulation 7) require that each employing authority must formulate, publish and keep under review the policy that they apply in the exercise of their Enhanced Discretionary powers and if the authority decides to change its policy, they must publish a statement of the amended policy and may not give effect to any policy change until one month after the date of publication.

In formulating and reviewing their policy the authority must:

- a) Have regard to the extent to which the exercise of their Enhanced Discretionary powers (in accordance with the policy), unless properly limited, could lead to a serious loss of confidence in the public service; and
- b) Be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

4. The Council's current budget position

- 4.1 The range of officer budget options, at 78m, to meet the budget shortfall of £109m mean there will be a reduction in staff. The Council therefore needs to look at the cost of the current Enhanced Discretionary Severance Scheme, so that the cost does not worsen the Council's financial position and seeks to improve it. The Council's position on reserves is that they exactly match the risk level for 2013-14, as set out in the Cabinet Report of 29 November. The Cabinet Monitoring report of 20 December notes the emergence of new financial risks. This could require further savings.
- 4.2 The cost of severance and the early release of pension are met in the following ways:
1. The early release of pension for those staff aged 55 plus is paid back over a five year period.
 2. The cost of severance is met in two ways:
 - i. The Council is able to capitalise the cost of the statutory scheme only. This involves a request to the Department of Communities and Local Government. The capitalisation, if agreed results in an additional cost of approximately 10% of the cost which is usually recovered over three years.
 - ii. The amount that the Council chooses to pay over and above the statutory element, referred to as the discretion, the Council has to find as a one off payment in year from further savings.

5. Current Position: Enhanced Discretionary Severance Scheme

- 5.1 The statutory redundancy scheme is calculated using multipliers (ranging from 0.5-1.5), which provide that a redundant employee is entitled to:
- half a week's pay capped at £430 for every full year of employment under the age of 22;
 - a week's pay capped at £430 for every full year of employment aged 22-40; and
 - one and a half weeks' pay capped at £430 for every full year of employment aged 41 and over, subject to an overall maximum of 20 years (30 weeks pay).
- 5.2 The Council's current scheme is based on the above. The Council has exercised its discretion in two ways;
1. The weekly pay is not capped at £430 per week. It is calculated at the actual weekly salary;
- And
2. The scheme then applies a multiplier of 2.2 to the statutory uncapped entitlement. This provides a maximum of 66 weeks pay, rather than 30 weeks for those with 20 years service over the age of 41.
- 5.3 The Council's Enhanced Discretionary Severance Scheme is amongst the most generous schemes. A list of comparative authorities is attached at Appendix One.

6. THE OPTIONS FOR REVIEW

6.1 There are a range of options for changing the Council's Enhanced Discretionary Severance Scheme. Those options are shown at Appendix Two. The options are shown based on 10% of the workforce.

6.2 The range of options at Appendix Two show the following, modelled at 10% of the workforce:

1. The cost of each scheme
2. The cost of statutory redundancy
3. The reduction in cost from the current scheme
4. The percentage saving
5. The total cost above the statutory element that would need to be capitalised.

6.3 The range of options consists of the following:

1. The current scheme, with 2.2 multiplier of the uncapped statutory scheme.
2. The statutory scheme with the weekly salary capped at the statutory cap of £430 per week.
3. The statutory scheme with the weekly pay uncapped.
4. A proposal for two schemes. Scheme one would protect the lowest paid workers by applying the 2.2 multiplier for those staff earning up to £21K. This salary level is the level used as a definition of low pay in National Pay negotiations. This would be uncapped. Scheme two would apply the statutory multiplier only, for those staff earning above £21k. The weekly pay would not be capped, so this would benefit the higher paid staff.
5. A range of alternative options using the statutory scheme, with an uncapped weekly salary, with a lower multiplier. These options have the advantage of reducing the cost proportionately across the workforce, based on the statutory formula of age, length of service and actual pay. Then applying a lower multiplier.
6. A range of options which do not use the statutory multiplier. These options apply a multiplier to the years worked, irrespective of age. Who gets what between the schemes would then be determined by what people are paid, and length of service, not age. Whilst age would be a factor within a scheme, the scheme itself would be exempt by virtue of the Equality Act exemption contained in Schedule 9. The flat rate options again reduce the cost of the overall scheme.

7. RELEVANT RISKS

7.1 The Council is required to set a legal and balanced budget for 2013/14 and is facing an estimated budget deficit of £39m for 2013/14 as part of a total saving of £109m over the next three years; the grant settlement, due at the end of December might worsen this position. With only £78m of savings options identified, any amount higher than the statutory scheme, the discretion, contributes to closing the funding gap of £31m, the current shortfall in the Council's three year budget.

8 OTHER OPTIONS CONSIDERED

8.1 A number of options to change the Council's current Enhanced Discretionary Severance Scheme are provided for consideration.

8.2 The consultation process provided an opportunity to explore and discuss all options before final decisions are made which may impact on our workforce.

9. CONSULTATION

9.1 Extensive consultation has been undertaken with the recognised Trade Unions on the range of options and alternatives sought.

9.2 The Council's Enhanced Discretionary severance scheme is a Council policy and therefore consultation is good practice in this circumstance.

10. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

10.1 None

11. RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

11.1 The options will generate potential savings, based on 10% of the Council's current workforce.

11.2 The Council is able to ask permission to capitalise the cost of the statutory element. £2,363,783. based on 10% of the workforce. The cost of the discretion has to be met from reductions in service, mainly in 2013-14.

11.3 In the event that the Council's application to capitalise the statutory element is not agreed by Department of Communities and Local Government, any new arrangements will have to be reviewed.

11.4 This report concerns the Council's full workforce.

12. LEGAL IMPLICATIONS

12.1 The Council is meeting the requirements to keep the Enhanced Discretionary Severance Scheme under review.

12.2 The Council will ensure that it complies with the necessary requirements to consult under the TULRCA.

12.3 The Council must meet its statutory duty under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. By virtue of regulation 7(3) the council when formulating and reviewing its policy must:

- Have regard to the extent to which the exercise of their discretionary powers (in accordance with the policy), unless properly limited, could lead to a serious loss of confidence in the public service; and
- Be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

13. EQUALITIES IMPLICATIONS

13.1 Equality impact assessments are published for all options for change. All equalities issues are considered as part of consultation.

13.2 The EIA attached to this report, and is available at:

14. CARBON REDUCTION IMPLICATIONS

14.1 Not applicable for this report.

15. PLANNING AND COMMUNITY SAFETY IMPLICATIONS

15.1 Not applicable for this report.

16. RECOMMENDATION/S

16.1 That the Cabinet considers the issues raised in the report and reviews the options to change the Enhanced Discretionary Severance Scheme which are attached at Appendix Two.

16.2 To recommend to the Employment and Appointments Committee that this report is considered and that any proposed change to the Council's Enhanced Discretionary Severance Scheme is agreed.

17. REASON/S FOR RECOMMENDATION/S

17.1 The Council has to set a legal and balanced budget for 2013/14. The aim is to protect as far as it can, front line services for vulnerable people. All options for reducing costs are being considered.

17.2 The Council's current Enhanced Discretionary Severance Scheme is unaffordable and applying the scheme will worsen the Council's financial position.

17.3 Consultation is required under TULRCA on the potential impact of any options being considered with the aim of minimising job losses. Consultation is required as part of a collective bargaining position on current local conditions of service. The Council's policies require consultations as good practice. All consultation is an essential and welcome part of working with our Trade Unions and staff to address the significant financial challenges the Council faces.

REPORT AUTHOR: Chris Hyams
Head of Human Resources & Organisational Development
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email: chrishyams@wirral.gov.uk

APPENDICES

Appendix One: Comparison of other Local Authorities Enhanced Discretionary Severance Schemes

Appendix Two: Range of options for the Council's Enhanced Discretionary Severance Scheme – costs based on 10% of the workforce

REFERENCE MATERIAL

None

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---------------------------------------|-------------------|
| Cabinet | 18 September 2012 |
| Employment and Appointments Committee | 18 September 2012 |

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Summary of Redundancy Pay: Comparisons with other Authorities

| Council category | Council | Level of redundancy calculator applied | Statutory Redundancy Pay (SRP) or Actual Weeks Pay (AWP) | Applied to: |
|------------------------------|-------------------------|--|--|--|
| Metropolitan Borough/Unitary | Sefton | Statutory Calculator only Max 30 weeks | AWP | Voluntary and compulsory |
| Metropolitan Borough/Unitary | Wigan | Statutory Calculator only Max 30 weeks | AWP | Voluntary and compulsory |
| Metropolitan Borough/Unitary | Knowsley | Statutory Calculator only Max 30 weeks | AWP | Voluntary only (no compulsory redundancies) |
| Metropolitan Borough/Unitary | St Helens | Statutory Calculator only Max 30 weeks | AWP | Voluntary and compulsory |
| Metropolitan Borough/Unitary | Bolton | Statutory Calculator plus an additional 12 weeks Max 42 weeks | AWP | Voluntary only |
| Metropolitan Borough/Unitary | Warrington | Statutory Calculator x 1.5 weeks Max 45 weeks | AWP | Voluntary and compulsory |
| Metropolitan Borough/Unitary | Cheshire West & Chester | Statutory Calculator x 2 weeks Max 52 weeks | AWP | Voluntary and compulsory |
| Metropolitan Borough/Unitary | Cheshire East | Statutory Calculator x 1.5 weeks Max 45 weeks | AWP | Voluntary and compulsory |

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Range of options for the Enhanced Discretionary Severance Scheme – costs based on 10% of the workforce

| | Severance calculation | Cost | Reduction from Current Scheme | % Saving | Cost above Statutory |
|---------------------------|------------------------------------|------------|-------------------------------|----------|----------------------|
| 1 | 2.2 multiplier (current scheme) | £6,585,818 | N/A | N/A | £4,222,035 |
| 2 | Statutory Redundancy (capped) | £2,363,783 | £4,222,035 | 64.11% | Nil |
| 3 | Statutory Redundancy (uncapped) | £2,993,553 | £3,592,265 | 54.55% | £629,770 |
| 4 | 2 Scheme Proposal | £3,843,535 | £2,742,283 | 41.64% | £1,479,752 |
| Multiplier Options | | | | | |
| 5 | 2.0 multiplier | £5,987,107 | £598,711 | 9.09% | £3,623,324 |
| 6 | 1.8 multiplier | £5,388,397 | £1,197,421 | 18.18% | £3,024,614 |
| 7 | 1.5 multiplier | £4,490,330 | £2,095,488 | 31.82% | £2,126,547 |
| Flat weeks options | | | | | |
| 8 | 2.2 flat weeks | £5,453,966 | £1,131,852 | 17.19% | £3,090,183 |
| 9 | 2.0 flat weeks | £4,958,151 | £1,627,667 | 24.71% | £2,594,368 |
| 10 | 1.8 flat weeks | £4,462,336 | £2,123,482 | 32.24% | £2,098,553 |
| 11 | 1.5 flat weeks | £3,718,613 | £2,867,205 | 43.54% | £1,354,830 |
| | | | | | |

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Proposal for Officer Options for Savings - Equality Impact Assessment Template (Oct 2012)

Section 1: Your details

EIA lead Officer: Jenny Fletcher

Email address: jennyfletcher@wirral.gov.uk

Head of Section: Chris Hyams

Chief Officer: Surjit Tour

Department: Law, HR & Asset Management

Date: 6 December 2012

Section 2: What Council proposal is being assessed?

Proposal to change the Council's Discretionary Severance Scheme to two schemes as follows:

Scheme One:

Statutory scheme with enhancement of 2.2 multiplier, uncapped salary, for employees earning up to £21,000

Scheme Two:

Statutory scheme with uncapped salary for those employees earning over £21,000

Scheme one affects 3508 posts, scheme two affects 2825 posts.

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes / No If 'yes' please state which meeting and what date

Cabinet and Employment and Appointments Committee: 20 December 2012

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/budget-options-eias>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|---|-------------|-----------|-----------------------|
| All employees | <p>Positive – all employees will be entitled to an enhanced discretionary severance scheme, as both schemes are based on uncapped salary. Currently the statutory scheme is capped at £430 per week.</p> <p>The Council’s lowest paid employees (those earning up to £21,000, will be entitled to statutory, plus a multiplier of 2.2.</p> <p>Negative - Employees earning above £21,000 will be entitled to less severance pay than the current scheme.</p> | The proposal to change the Council’s current discretionary severance scheme is part of a range of measures the Council is proposing to make financial savings needed to reduce the budget deficit, and is | | | |

| | | | | | |
|-----------|---|---|--|--|--|
| | | therefore not intended to discriminate any particular group of employees. | | | |
| Women/men | <p>The number of women post holders in the workforce is 64.39% - 4078 posts.</p> <p>Scheme One Of the 64.39% (4078 posts) of women post holders, 58.23% (2375 posts) are affected.</p> <p>Scheme Two Of the 64.39% (4078 posts) of women post holders, 41.76% (1703 posts) are affected.</p> <p>Comparison of schemes Positive – more women post holders are entitled to scheme one.</p> | N/A | | | |
| Race | <p>The number of BME post holders in the workforce is 2.27% - 144 posts.</p> <p>Scheme One Of the 2.27% (144 posts) of BME employees, 39.58% (57 posts) are affected.</p> <p>Scheme Two Of the 2.27% of BME employees, 60.41% (87 posts) are affected.</p> <p>Comparison of schemes Negative – less BME post holders are entitled</p> | This is an unintentional | | | |

| | | | | | |
|---------------------|---|---|--|--|--|
| | to scheme one | disadvantage. All BME post holders are entitled to an enhanced discretionary severance scheme, based on an uncapped weekly payment. | | | |
| Disability | <p>The number of disabled post holders in the workforce is 2.75% - 174 posts.</p> <p>Scheme One Of the 2.75% (174 posts) of disabled employees, 48.28% (84 posts) are affected.</p> <p>Scheme Two Of the 2.75% (174 posts) of disabled employees, 51.72% (90 posts) are affected.</p> <p>Comparison of schemes Negative – less disabled post holders are entitled to scheme one.</p> | <p>This is an unintentional disadvantage.</p> <p>All disabled post holders are entitled to an enhanced discretionary severance scheme, based on an uncapped weekly payment.</p> | | | |
| Religion and Belief | The number of non Christian post holders in the workforce is 3.98% - 252 posts. | N/A | | | |

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|--------------------|---|--|--|--|--|
| | <p>Scheme One Of the 3.98% (252 posts) of non-Christian post holders, 43.65% (110 posts) are affected.</p> <p>Scheme Two Of the 3.98% (252 posts) of non-Christian post holders, 56.35% (142 posts) are affected.</p> <p>.</p> <p>Comparison of schemes Negative – less non-Christian post holders are entitled to scheme one.</p> | <p>This is an unintentional disadvantage.</p> <p>All non-Christian post holders are entitled to an enhanced discretionary severance scheme, based on an uncapped weekly payment.</p> | | | |
| Sexual Orientation | <p>The number of lesbian, gay or bi-sexual post holders in the workforce is 0.63% - 40 posts.</p> <p>Scheme One Of the 0.63% (40 posts) of lesbian, gay or bi-sexual post holders, 32.5% (13 posts) are affected.</p> <p>Scheme Two Of the 0.63% (40 posts) of lesbian, gay or bi-sexual post holders, 67.5% (27 posts) are</p> | | | | |

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|----------------------|--|--|--|--|--|
| | <p>affected.</p> <p>.</p> <p>Comparison of schemes Negative – less lesbian, gay or bi-sexual post holders are entitled to scheme one.</p> | <p>This is an unintentional disadvantage.</p> <p>All lesbian, gay or bi-sexual post holders are entitled to an enhanced discretionary severance scheme, based on an uncapped weekly payment.</p> | | | |
| Gender Re-assignment | <p>The number of transgender post holders in the workforce is 0.17% - 11 posts.</p> <p>Scheme One Of the 0.17% (11 posts) of transgender post holders, 72.72% (8 posts) are affected.</p> <p>Scheme Two Of the 0.17% (11 posts) of transgender post holders, 27.27% (3 posts) are affected.</p> <p>.</p> <p>Comparison of schemes Positive – more transgender post holders are entitled to scheme one.</p> | N/A. | | | |
| Age | <p>The number of post holders in the workforce aged between 16-29 is 15.30% - 969 posts.</p> | | | | |

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|--|---|--|--|--|--|
| | <p>Scheme One Of the 15.30% (969 posts) of post holders aged between 16-29, 79.56% (771 posts) are affected.</p> <p>Scheme Two Of the 15.30% (969 posts) of post holders aged between 16-29, 20.43% (198 posts) are affected.</p> <p>.</p> <p>Comparison of schemes Positive – more post holders aged between 16-29 are entitled to scheme one.</p> <p>The number of post holders in the workforce aged between 30-59 is 75.82% - 4802 posts.</p> <p>Scheme One Of the 75.82% (4802 posts) of post holders aged between 30-59, 48.81% (2344 posts) are affected.</p> <p>Scheme Two Of the 75.82% (4802 posts) of post holders aged between 30-59, 51.19% (2458 posts) are affected.</p> <p>.</p> <p>Comparison of schemes Negative – less post holders aged between 30-59 are entitled to scheme one.</p> | <p>N/A</p> <p>This is an unintentional disadvantage.</p> <p>All post holders aged between 30-59 are entitled</p> | | | |
|--|---|--|--|--|--|

| | | | | | |
|--|---|---|--|--|--|
| | <p>The number of post holders in the workforce aged over 60 is 8.87% - 562 posts.</p> <p>Scheme One Of the 8.87% (562 posts) of post holders aged over 60, 69.93% (393 posts) are affected.</p> <p>Scheme Two Of the 8.87% (562 posts) of post holders aged over 60, 30.07% (169 posts) are affected.</p> <p>Comparison of schemes Positive – more post holders aged over 60 are entitled to scheme one.</p> | <p>to an enhanced discretionary severance scheme, based on an uncapped weekly payment.</p> <p>N/A</p> | | | |
|--|---|---|--|--|--|

Section 5a: Where and how will the above actions be monitored?

The Council will consult with staff and trade unions in relation to this proposal and feedback will be considered. The proposals and consultation feedback will be presented to Cabinet on 20 December 2012. The impact on employees will be monitored by managers with support from Human Resources and Organisational Development. A further EIA will be produced on the impact of application of the discretionary severance policy where this is appropriate.

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

N/A

Section 6: What research / data / information have you used in support of this process?

The Council's budget deficit position: Wirral Council is facing unprecedented cuts to its funding. £100million, one third of the Council net budget will be removed over the next three years.

Research has been conducted through North West Employers and other local authorities across the country to make comparisons against other discretionary severance schemes. A number of Council's use schemes based on the statutory entitlement e.g. Sefton, Wigan, Knowlsey.

Workforce statistics generated for employees who would be entitled to scheme one and those entitled to scheme two, and workforce statistics for the full workforce.

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why:

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Consultation has taken place with the Trade Unions as part of the Corporate Joint Consultative Committee (JCC) process where meetings are held every three weeks. In addition there have been and will be ongoing specific meetings with The Leader and The Chief Executive in relation to terms and conditions of employment, including the proposed change to the enhanced discretionary severance scheme. A decision will be made by Cabinet in December 2012.

All employees affected by the proposal to change the Council's Enhanced Discretionary Severance Scheme were written to on 23 November 2012. The letter informed employees that the Council had opened consultation with the Trade Unions in relation to changing the current scheme to a scheme that was more affordable for the Council.

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Proposal for Officer Options for Savings - Equality Impact Assessment Template (Oct 2012)

Section 1: Your details

EIA lead Officer: Jenny Fletcher

Email address: jennyfletcher@wirral.gov.uk

Head of Section: Chris Hyams

Chief Officer: Surjit Tour

Department: Law, HR & Asset Management

Date: 12 December 2012

Section 2: What Council proposal is being assessed?

Proposal to change the Council's Enhanced Discretionary Severance Scheme to apply a flat week multiplier to the number of years service.

This affects 6333 posts.

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes / No **If 'yes' please state which meeting and what date**

**Cabinet and Employment and Appointments Committee: 20
December 2012**

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/budget-options-eias>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|---|-------------|-----------|-----------------------|
| All employees | <p>Positive – all employees will be entitled to an enhanced discretionary severance scheme, which is based on a flat week multiplier, based on length of service. The flat week multiplier will be at least equivalent to the highest statutory multiplier of 1.5 weeks. The multiplier will be applied to all employees and will be based on actual weekly pay.</p> <p>Negative – all employees will receive less redundancy than the current scheme.</p> | <p>N/A</p> <p>This is an unintentional disadvantage.</p> <p>The proposal to change the Council's current discretionary severance scheme is part of a range of measures the Council is</p> | | | |

| | | | | | |
|------------|--|---|--|--|--|
| | | proposing to make financial savings needed to reduce the budget deficit, and is therefore not intended to discriminate any particular group of employees. | | | |
| Women/men | <p>The number of women post holders in the workforce is 64.39% - 4078 posts.</p> <p>Positive - All women post holders are entitled to the flat week multiplier (at least equivalent to the highest statutory multiplier of 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees.</p> | N/A | | | |
| Race | <p>The number of BME post holders in the workforce is 2.27% - 144 posts.</p> <p>Positive - All BME post holders are entitled to the flat week multiplier (at least equivalent to the highest statutory multiplier of 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees.</p> | N/A | | | |
| Disability | <p>The number of disabled post holders in the workforce is 2.75% - 174 posts.</p> <p>Positive - All disabled post holders are</p> | N/A | | | |

| | | | | | |
|----------------------|---|-----|--|--|--|
| | entitled to the flat week multiplier (at least equivalent to the highest statutory multiplier of 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees. | | | | |
| Religion and Belief | <p>The number of non Christian post holders in the workforce is 3.98% - 252 posts.</p> <p>Positive - All non-Christian post holders are entitled to the flat week multiplier (at least equivalent to the highest statutory multiplier of 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees.</p> | N/A | | | |
| Sexual Orientation | <p>The number of lesbian, gay or bi-sexual post holders in the workforce is 0.63% - 40 posts.</p> <p>Positive - All lesbian, gay or bi-sexual post holders are entitled to the flat week multiplier (at least equivalent to the highest statutory multiplier of 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees.</p> | | | | |
| Gender Re-assignment | <p>The number of transgender post holders in the workforce is 0.17% - 11 posts.</p> <p>Positive - All transgender post holders are entitled to the flat week multiplier (at least</p> | N/A | | | |

| | | | | | |
|------------|---|------------|--|--|--|
| | <p>equivalent to the highest statutory multiplier of 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees.</p> | | | | |
| <p>Age</p> | <p>The number of post holders in the workforce aged between 16-29 is 15.30% - 969 posts.</p> <p>Positive - All post holders aged between 16-29 are entitled to the flat week multiplier (at least equivalent to the highest statutory multiplier of 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees.</p> <p>The number of post holders in the workforce aged between 30-59 is 75.82% - 4802 posts.</p> <p>Positive - All post holders aged between 30-59 are entitled to the flat week multiplier (at least equivalent to the highest statutory multiplier of 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees.</p> <p>The number of post holders in the workforce aged over 60 is 8.87% - 562 posts.</p> <p>Positive - All post holders aged over 60 are entitled to the flat week multiplier (at least equivalent to the highest statutory multiplier of</p> | <p>N/A</p> | | | |

| | | | | | |
|--|---|--|--|--|--|
| | 1.5 weeks), based on length of service, (consistent with the statutory scheme) and applicable to all other employees. | | | | |
|--|---|--|--|--|--|

Section 5a: Where and how will the above actions be monitored?

The Council will consult with staff and trade unions in relation to this proposal and feedback will be considered. The proposals and consultation feedback will be presented to Cabinet on 20 December 2012. The impact on employees will be monitored by managers with support from Human Resources and Organisational Development. A further EIA will be produced on the impact of application of the enhanced discretionary severance policy where this is appropriate.

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

N/A

Section 6: What research / data / information have you used in support of this process?

The Council's budget deficit position: Wirral Council is facing unprecedented cuts to its funding. £108million, one third of the Council net budget will be removed over the next three years.

Research has been conducted through North West Employers and other local authorities across the country to make comparisons against other discretionary severance schemes.

Workforce statistics for the full workforce.

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes

Section 8: How will consultation take place and by when?

Consultation has taken place with the Trade Unions as part of the Corporate Joint Consultative Committee (JCC) process where meetings are held every three weeks. In addition there have been and will be ongoing specific meetings with The Leader and The Chief Executive in relation to terms and conditions of employment, including the proposed change to the enhanced discretionary severance scheme. A decision will be made by Cabinet in December 2012.

All employees affected by the proposal to change the Council's Enhanced Discretionary Severance Scheme were written to on 23 November 2012. The letter informed employees that the Council had opened consultation with the Trade Unions in relation to changing the current scheme to a scheme that was more affordable for the Council.

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Proposal for Officer Options for Savings - Equality Impact Assessment Template (Oct 2012)

Section 1: Your details

EIA lead Officer: Jenny Fletcher

Email address: jennyfletcher@wirral.gov.uk

Head of Section: Chris Hyams

Chief Officer: Surjit Tour

Department: Law, HR & Asset Management

Date: 12 December 2012

Section 2: What Council proposal is being assessed?

Proposal to change the Council's Enhanced Discretionary Severance Scheme to the Statutory Scheme, with a reduced multiplier (less than the current multiplier of 2.2).

This affects 6333 posts.

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes / No **If 'yes' please state which meeting and what date**

**Cabinet and Employment and Appointments Committee: 20
December 2012**

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/budget-options-eias>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|---|-------------|-----------|-----------------------|
| All employees | <p>Positive – all employees will be entitled to an enhanced discretionary severance scheme, which is based on the statutory scheme, with a multiplier. The multiplier will be less than the current multiplier of 2.2. The multiplier will be applied to all employees and will be based on actual weekly pay.</p> <p>Negative – all employees will receive less redundancy than the current scheme.</p> | <p>N/A</p> <p>This is an unintentional disadvantage.</p> <p>The proposal to change the Council's current discretionary severance scheme is part of a range of measures the Council is proposing to make financial</p> | | | |

| | | | | | |
|--------------|--|---|--|--|--|
| | | savings needed to reduce the budget deficit, and is therefore not intended to discriminate any particular group of employees. | | | |
| Women/men | <p>The number of women post holders in the workforce is 64.39% - 4078 posts.</p> <p>Positive - All women post holders are entitled to the statutory scheme, with a multiplier based on actual weekly pay, consistent with all other employees.</p> | N/A | | | |
| Race | <p>The number of BME post holders in the workforce is 2.27% - 144 posts.</p> <p>Positive - All BME post holders are entitled to the statutory scheme, with a multiplier based on actual weekly pay, consistent with all other employees.</p> | N/A | | | |
| Disability | <p>The number of disabled post holders in the workforce is 2.75% - 174 posts.</p> <p>Positive - All disabled post holders are entitled to the statutory scheme, with a multiplier based on actual weekly pay, consistent with all other employees.</p> | N/A | | | |
| Religion and | The number of non Christian post holders in | N/A | | | |

| | | | | | |
|----------------------|---|-----|--|--|--|
| Belief | <p>the workforce is 3.98% - 252 posts.</p> <p>Positive - All non-Christian post holders are entitled to the statutory scheme with a multiplier based on actual weekly pay, consistent with all other employees.</p> | | | | |
| Sexual Orientation | <p>The number of lesbian, gay or bi-sexual post holders in the workforce is 0.63% - 40 posts.</p> <p>Positive - All lesbian, gay or bi-sexual post holders are entitled to the statutory scheme, with a multiplier based on actual weekly pay, consistent with all other employees.</p> | | | | |
| Gender Re-assignment | <p>The number of transgender post holders in the workforce is 0.17% - 11 posts.</p> <p>Positive - All transgender post holders are entitled to the statutory scheme, with a multiplier based on actual weekly pay, consistent with all other employees.</p> | N/A | | | |
| Age | <p>The number of post holders in the workforce aged between 16-29 is 15.30% - 969 posts.</p> <p>Positive - All post holders aged between 16-29 are entitled to the statutory scheme, with a multiplier based on actual weekly pay, consistent with all other employees.</p> | N/A | | | |

| | | | | | |
|--|---|--|--|--|--|
| | <p>The number of post holders in the workforce aged between 30-59 is 75.82% - 4802 posts.</p> <p>Positive - All post holders aged between 30-59 are entitled to the statutory scheme, with a multiplier. on actual weekly pay, consistent with all other employees.</p> <p>The number of post holders in the workforce aged over 60 is 8.87% - 562 posts.</p> <p>Positive - All post holders aged over 60 are entitled to the statutory scheme, with a multiplier. based on actual weekly pay, consistent with all other employees.</p> | | | | |
|--|---|--|--|--|--|

Section 5a: Where and how will the above actions be monitored?

The Council will consult with staff and trade unions in relation to this proposal and feedback will be considered. The proposals and consultation feedback will be presented to Cabinet on 20 December 2012. The impact on employees will be monitored by managers with support from Human Resources and Organisational Development. A further EIA will be produced on the impact of application of the enhanced discretionary severance policy where this is appropriate.

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

N/A

Section 6: What research / data / information have you used in support of this process?

The Council's budget deficit position: Wirral Council is facing unprecedented cuts to its funding. £108million, one third of the Council net budget will be removed over the next three years.

Research has been conducted through North West Employers and other local authorities across the country to make comparisons against other discretionary severance schemes. A number of Council's use schemes based on the statutory entitlement only e.g. Sefton, Wigan, Knowlsey, St Helen's. A number of Council's then apply a multiplier, e.g. Warrington, Cheshire East, Cheshire West and Chester.

Workforce statistics for the full workforce.

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes

Section 8: How will consultation take place and by when?

Consultation has taken place with the Trade Unions as part of the Corporate Joint Consultative Committee (JCC) process where meetings are held every three weeks. In addition there have been and will be ongoing specific meetings with The Leader and The Chief Executive in relation to terms and conditions of employment, including the proposed change to the enhanced discretionary severance scheme. A decision will be made by Cabinet in December 2012.

All employees affected by the proposal to change the Council's Enhanced Discretionary Severance Scheme were written to on 23 November 2012. The letter informed employees that the Council had opened consultation with the Trade Unions in relation to changing the current scheme to a scheme that was more affordable for the Council.

Proposal for Officer Options for Savings - Equality Impact Assessment Template (Oct 2012)

Section 1: Your details

EIA lead Officer: Jenny Fletcher

Email address: jennyfletcher@wirral.gov.uk

Head of Section: Chris Hyams

Chief Officer: Surjit Tour

Department: Law, HR & Asset Management

Date: 12 December 2012

Section 2: What Council proposal is being assessed?

Proposal to change the Council's Enhanced Discretionary Severance Scheme to the Statutory Scheme, applying the statutory cap of £430 weekly pay.

This affects 6333 posts.

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes / No **If 'yes' please state which meeting and what date**

**Cabinet and Employment and Appointments Committee: 20
December 2012**

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/budget-options-eias>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|--|-------------|-----------|-----------------------|
| All employees | <p>Positive – all employees will be entitled to the same statutory severance scheme, which applies a statutory cap of £430 weekly pay.</p> <p>Negative – those employees earning more than £430 a week will not have their redundancy payment based on actual pay.</p> <p>Negative – all employees will receive less redundancy than the current scheme.</p> | <p>This is an unintentional disadvantage.</p> <p>The proposal to change the Council's current discretionary severance scheme is part of a range of measures the Council is proposing to make financial savings needed to reduce the budget deficit, and is therefore not intended to discriminate any particular group of employees.</p> | | | |

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| Women/men | <p>Positive</p> <p>The number of women post holders in the workforce is 64.39% - 4078 posts.</p> <p>Earning £430 per week or less Of the 64.39% (4078 posts) of women post holders, 74.64% (3044 posts) earn £430 per week or less.</p> <p>Earning more than £430 per week Of the 64.39% (4078 posts) of women post holders, 25.36% (1036 posts) earn more than £430 per week.</p> <p>Comparison Positive – less women post holders earn more than £430 per week and will be subject to the statutory cap.</p> <p>This therefore has more of a negative impact on men.</p> | N/A | | | |
| Race | <p>Positive</p> <p>The number of BME post holders in the workforce is 2.27% - 144 posts.</p> <p>Earning £430 per week or less Of the 2.27% (144 posts) of BME post holders, 64.58% (93 posts) earn £430 per week or less.</p> | | | | |

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| | <p>Earning more than £430 per week Of the 2.27% of BME employees, 35.42% (51 posts) earn more than £430 per week.</p> <p>Comparison Positive – less BME post holders earn more than £430 per week and will be subject to the statutory cap.</p> | N/A | | | |
| Disability | <p>Positive</p> <p>The number of disabled post holders in the workforce is 2.75% - 174 posts.</p> <p>Earning £430 per week or less Of the 2.75% (174 posts) of disabled employees, 64.94% (113 posts) earn £430 per week or less.</p> <p>Earning more than £430 per week Of the 2.75% (174 posts) of disabled employees, 35.06% (61 posts) earn more than £430.</p> <p>Comparison Positive – less disabled post holders earn more than £430 per week and will be subject to the statutory cap.</p> | N/A | | | |
| Religion and Belief | <p>Positive</p> <p>The number of non Christian post holders in the workforce is 3.98% - 252 posts.</p> | | | | |

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| | <p>Earning £430 per week or less Of the 3.98% (252 posts) of non-Christian post holders, 56.75% (143 posts) earn £430 per week or less.</p> <p>Earning more than £430 per week Of the 3.98% (252 posts) of non-Christian post holders, 43.25% (109 posts) earn more than £430 per week.</p> <p>Comparison Positive – less non-Christian post holders earn more than £430 per week and will be subject to the statutory cap.</p> | N/A | | | |
| Sexual Orientation | <p>Negative</p> <p>The number of lesbian, gay or bi-sexual post holders in the workforce is 0.63% - 40 posts.</p> <p>Earning £430 per week or less Of the 0.63% (40 posts) of lesbian, gay or bi-sexual post holders, 45% (18 posts) earn £430 per week or less.</p> <p>Earning more than £430 per week Of the 0.63% (40 posts) of lesbian, gay or bi-sexual post holders, 55% (22 posts) earn more than £430 per week.</p> <p>Comparison Negative – more lesbian, gay or bi-sexual post holders earn more than £430 per week</p> | <p>This is an unintentional disadvantage.</p> <p>All lesbian, gay or bi-sexual</p> | | | |

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| | and will be subject to the statutory cap. | post holders are entitled to the statutory scheme consistent with all other employees. | | | |
| Gender Re-assignment | <p>Positive</p> <p>The number of transgender post holders in the workforce is 0.17% - 11 posts.</p> <p>Earning £430 per week or less Of the 0.17% (11 posts) of transgender post holders, 81.82% (9 posts) earn £430 per week or less.</p> <p>Earning more than £430 per week Of the 0.17% (11 posts) of transgender post holders, 18.18% (2 posts) earn more than £430 per week.</p> <p>Comparison Positive – less transgender post holders earn more than £430 per week and will be subject to the statutory cap.</p> | N/A | | | |
| Age | <p>Positive</p> <p>The number of post holders in the workforce aged between 16-29 is 15.30% - 969 posts.</p> <p>Earning £430 per week or less Of the 15.30% (969 posts) of post holders aged between 16-29, 92.05% (892 posts)</p> | | | | |

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Section 5a: Where and how will the above actions be monitored?

The Council will consult with staff and trade unions in relation to this proposal and feedback will be considered. The proposals and consultation feedback will be presented to Cabinet on 20 December 2012. The impact on employees will be monitored by managers with support from Human Resources and Organisational Development. A further EIA will be produced on the impact of application of the enhanced discretionary severance policy where this is appropriate.

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

N/A

Section 6: What research / data / information have you used in support of this process?

The Council's budget deficit position: Wirral Council is facing unprecedented cuts to its funding. £108million, one third of the Council net budget will be removed over the next three years.

Research has been conducted through North West Employers and other local authorities across the country to make comparisons against other discretionary severance schemes. A number of Council's use schemes based on the statutory entitlement e.g. Sefton, Wigan, Knowlsey, St Helen's.

Workforce statistics generated for employees who earn more than £430 per week, and workforce statistics for the full workforce.

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes

Section 8: How will consultation take place and by when?

Consultation has taken place with the Trade Unions as part of the Corporate Joint Consultative Committee (JCC) process where meetings are held every three weeks. In addition there have been and will be ongoing specific meetings with The Leader and The Chief Executive in relation to terms and conditions of employment, including the proposed change to the enhanced discretionary severance scheme. A decision will be made by Cabinet in December 2012.

All employees affected by the proposal to change the Council's Enhanced Discretionary Severance Scheme were written to on 23 November 2012. The letter informed employees that the Council had opened consultation with the Trade Unions in relation to changing the current scheme to a scheme that was more affordable for the Council.

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Proposal for Officer Options for Savings - Equality Impact Assessment Template (Oct 2012)

Section 1: Your details

EIA lead Officer: Jenny Fletcher

Email address: jennyfletcher@wirral.gov.uk

Head of Section: Chris Hyams

Chief Officer: Surjit Tour

Department: Law, HR & Asset Management

Date: 12 December 2012

Section 2: What Council proposal is being assessed?

Proposal to change the Council's Discretionary Severance Scheme to the Statutory Scheme, with uncapped salary.

This affects 6333 posts.

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes / No **If 'yes' please state which meeting and what date**

**Cabinet and Employment and Appointments Committee: 20
December 2012**

<https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/budget-options-eias>

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| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|--|--|--|-------------|-----------|-----------------------|
| All employees | <p>Positive – all employees will be entitled to an enhanced discretionary severance scheme, as the proposal is to use actual weekly pay (uncapped salary). Currently the statutory scheme is capped at £430 per week.</p> <p>Negative – those employees earning less than £430 a week (current statutory cap) will not benefit from the proposal to use actual weekly pay.</p> <p>Negative – all employees will receive less redundancy than the current scheme.</p> | <p>This is an unintentional disadvantage.</p> <p>This is an unintentional disadvantage.</p> <p>The proposal to change the Council's current discretionary severance scheme is part of a range of</p> | | | |

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| | | measures the Council is proposing to make financial savings needed to reduce the budget deficit, and is therefore not intended to discriminate any particular group of employees. | | | |
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| Race | Negative | | | | |

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WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|--|---|
| SUBJECT: | <i>LEASOWE MILLENNIUM CENTRE</i> |
| WARD/S AFFECTED: | <i>LEASOWE</i> |
| REPORT OF: | <i>DIRECTOR OF LAW HR AND ASSET MANAGEMENT</i> |
| RESPONSIBLE PORTFOLIO HOLDER: | <i>COUNCILLOR ADRIAN JONES</i> |
| KEY DECISION? | NO |

1.0 EXECUTIVE SUMMARY

- 1.1 This report seeks authority to the freehold transfer of the Leasowe Millennium Centre to Leasowe Community Homes.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Leasowe Millennium Centre opened in 2001 using funding from a variety of sources - including grants - to provide services to the local community and support regeneration. The freehold interest is owned by the Council and it was intended that the building would be operated by the Leasowe Development Trust (LDT) which would take a long lease of the building. The centre includes Leasowe Library, a café area, offices for LDT and Leasowe Community Homes (LCH), and space originally created for a Women's Centre which is now empty. It also includes community space which is available to hire and is used for a variety of community activities.
- 2.2 That lease was never completed, but LDT had operated as the main tenant of the building in accordance with the intended lease terms. Cabinet, at its meeting of 2 February 2012 was advised that LDT had approached the Council and explained that it was no longer in a position to run the building or take a lease. Consequently Members resolved to accept a surrender of the lease, and identified funding for initial running costs and made budget provision of £160,000 for 2012/ 2013 to allow time for options for the future management of the building to be evaluated. Members also resolved that the Director of Law, HR and Asset Management should report to a future meeting of Cabinet on long term options for the operation and management of the Centre.
- 2.3 Since that decision the Council has taken responsibility for the operation and management of the building including all running costs.
- 2.4 Leasowe Community Homes was set up in 1999 and is a subsidiary of Your Housing Group (previously Arena) and manages nearly 1000 homes in Leasowe. As a substantial stakeholder on Leasowe Estate, LCH is keen to further develop its community engagement and is aware of the significance of the Leasowe Millennium Centre for the residents of Leasowe. Consequently LCH and Council officers have had preliminary discussions relating to a possible transfer of the building to LCH.

These discussions have also referred to the retention, following transfer, of the Council's library facility at that location along with the potential for additional space within the centre for a One Stop shop facility merged within the library area. The Council has previously occupied the library space for which a rent of £17,000 per annum was paid which included a contribution to the running costs by way of a service charge. Terms for the continued occupation by the Council after transfer will need to be agreed with LCH.

- 2.5 The grant funding used for the creation of the Millennium Centre includes a number of requirements involving provision of community activities and whilst this would not prevent a disposal, any future operator of the centre would be required to observe these requirements. Failure to comply with these requirements may trigger clawback provisions. LCH has expressed a desire to take on the facility to develop the community activities in the area and is considered to be the most suitable operator of the Millennium Centre. LCH continues to work with LDT to promote community engagement in the area. LCH has also developed preliminary proposals for the centre which include enhancements to the library, improved reception and one stop shop facility, and has advised that the cost is likely to be in excess of £600,000.
- 2.6 In view of this financial commitment and the development work required to make the facility sustainable, LCH has requested that it be given a freehold interest in the property at a nominal consideration. LCH is willing to commit to providing services to the community from the facility and has advised that, subject to its board's approval, it is willing to include the following conditions in the transfer:
- An undertaking to indemnify the Council against clawback provisions in terms of the funding agreement.
 - Covenants in the land transfer which only permit the property to be used for the provision of services to the community
 - A restriction on title which would require the Council's consent prior to a disposal.
 - A provision which would give the Council the option to repurchase the property for £1 in the event that the property ceases to be used for community provision.
- 2.7 The Millennium Centre is a substantial community facility which, if unrestricted, could have an estimated value in the region of £350,000. However, given the complexities of operating a facility of this nature and its location, it is felt that it would not readily sell on the open market. A transfer on the terms proposed would negate this value but would also mean that LCH could not automatically generate a receipt upon a future sale.
- 2.8 The Millennium Centre is situated adjacent to grassed amenity spaces which are currently maintained by the Council. It is proposed that these areas be included in the disposal to LCH in order that it can use them in conjunction with the Millennium Centre. This will also divest the Council of the maintenance liability. The land will be subject to the same restrictions as the Millennium Centre which will restrict its potential. As this land is open to the public, a proposed disposal will need to be advertised in the local press in accordance with the Local Government Act. Should any objections be received they would be reported to Members at a later date.
- 2.9 Members should be aware that, under section 123 of the Local Government Act 1972, the Council shall not dispose of land for a consideration less than the best that can reasonably be obtained. However, circular 06/03: Local Government Act 1972

General Disposal Consent (England) 2003 gives the Council power to dispose of an asset at less than market value on the grounds that to do so is in the interest of the economic and / or environmental and / or social well being of the inhabitants of the Borough and provided also that any such restriction in value does not exceed two million pounds, per transaction.

- 2.10 The transfer will also be conditional on the Council entering in to a lease of that part of the building used for library purposes and possibly enhanced with the One Stop Shop. The terms for this will need to be discussed in further detail, but will be based upon the Council paying a commercial rent. Members are requested that approval of the final terms for the lease back of the library facility be delegated to the Director of Law HR and Asset Management in consultation with the portfolio holder.

3.0 RELEVANT RISKS

- 3.1 Failure to comply with the conditions of the grant funding may trigger clawback provisions. However, given LCH's proposals for the building and the undertaking to indemnify the Council against clawback, this risk is considered to be low.
- 3.2 Should a transfer to LCH not be effected, due to the location, size and complexity of the Millennium centre, it is unlikely that an alternative operator would be identified. Under these circumstances the Council would need to continue to operate the facility in order to retain the activities offered at the centre.
- 3.3 Given the timeframes involved in seeking an operator of the building no other potential operators have been identified. However, given the existing commitment to the area and willingness and ability to develop this, LCH are considered to be the most appropriate operator of the building.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 In light of the restrictions placed on the property as part of the grant funding, there is no opportunity to sell it for an alternative use, without triggering the clawback provisions. Consequently no other options have been considered at this stage.

5.0 CONSULTATION

- 5.1 Council officers have held preliminary discussions with Leasowe Community Homes and Leasowe Development Trust.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 The facility will be operated by Leasowe Community Homes who intend to involve Leasowe Development Trust and will continue to offer community activities.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 FINANCIAL IMPLICATIONS

- 7.1.1 There is a budget provision of £160,000 in 2012/13 allocated for the centre to cover energy costs, maintenance costs, cleaning and caretaking. After transfer LCH would be responsible for all outgoing and operating costs. Terms for the continued occupation of the library space by the Council following transfer will need to be agreed with LCH.

7.2 STAFFING IMPLICATIONS

- 7.2.1 There are no Council staff directly attached to the operation of this facility and consequently there are no staffing implications arising.

7.3 ASSET IMPLICATIONS

- 7.3.1 A transfer would release the Council from the costs of running and maintaining the building. The property has a notional value of £350,000, although it is unlikely to readily achieve such a figure in the current market. It is expected that the transfer would form a basis for investment in the building by LCH and for further development of services for the local community.

8.0 LEGAL IMPLICATIONS

- 8.1 Approval of the recommendations will require the Council to prepare the appropriate legal documentation to enable the transfer to proceed.
- 8.2 As the continued use of the building for the delivery of community services will contribute to the promotion of social well being and the difference between the unrestricted value of the property and the disposal price does not exceed £2 million the Director of Law HR and Asset Management has confirmed that the proposal falls within the scope of the general consent.
- 8.3 When the Council sells at less than best price reasonably obtainable then there is a subsidy by the public sector. This can trigger the rules on State Aid. In this case it is not considered that the proposed use of the Millennium Centre by Leasowe Community Homes for community purposes would affect trade between member states which is a key test for the application of the rules on State aid.

9.0 EQUALITIES IMPLICATIONS

- 9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No because there is no relevance to equality arising directly from this report.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 A transfer of the property will result in a reduction in the Council's Carbon Emissions.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 The Millennium community centre and women's resource centre was granted planning permission on 22nd October 1999. There are no planning implications arising directly from this report.

12.0 RECOMMENDATION/S

- 12.1 That the disposal of the Leasowe Millennium Centre to Leasowe Community Homes be approved on the terms reported.

12.2 That authority be delegated to the Director of Law HR and Asset Management, in consultation with the portfolio holder, to approve the final terms for lease back of the library facility..

13.0 REASON/S FOR RECOMMENDATION/S

13.1 To secure a sustainable basis for the future operation of the Millennium Centre.

13.2 Leasowe Community Homes have a considerable stake in Leasowe and are committed to community engagement. Consequently it is considered to be the most appropriate way of retaining this community facility and the activities which it offers.

REPORT AUTHOR: Steven McMorran
Valuer
telephone: (0151 666 3891)
email: stevemcmorran@wirral.gov.uk

APPENDICES

None

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|-------------------------------------|-----------------|
| Cabinet – Leasowe Millennium Centre | 2 February 2012 |

Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details

EIA lead Officer: S McMorran

Email address: stevemcmorran@wirral.gov.uk

Head of Section: Ian Brand

Chief Officer: Surjit Tour

Department: Law HR and Asset Management

Date: 19 September 2012

Section 2: What Council proposal is being assessed?

The Disposal of Leasowe Millennium Centre to Leasowe Community Homes

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes If 'yes' please state which meeting and what date

Cabinet 18 October 2012.....

Please add hyperlink to where your EIA is/will be published on the Council's website (see your Departmental Equality Group Chair for appropriate hyperlink)

.....

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|---|--|--|--------------------|------------------|------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Section 5a: **Where and how will the above actions be monitored?**

Section 5b: **If you think there is no negative impact, what is your reasoning behind this?**

Section 6: **What research / data / information have you used in support of this process?**

Section 7: **Are you intending to carry out any consultation with regard to this Council proposal?**

Yes / No – (please delete as appropriate)

If ‘yes’ please continue to section 8.

If ‘no’ please state your reason(s) why:

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

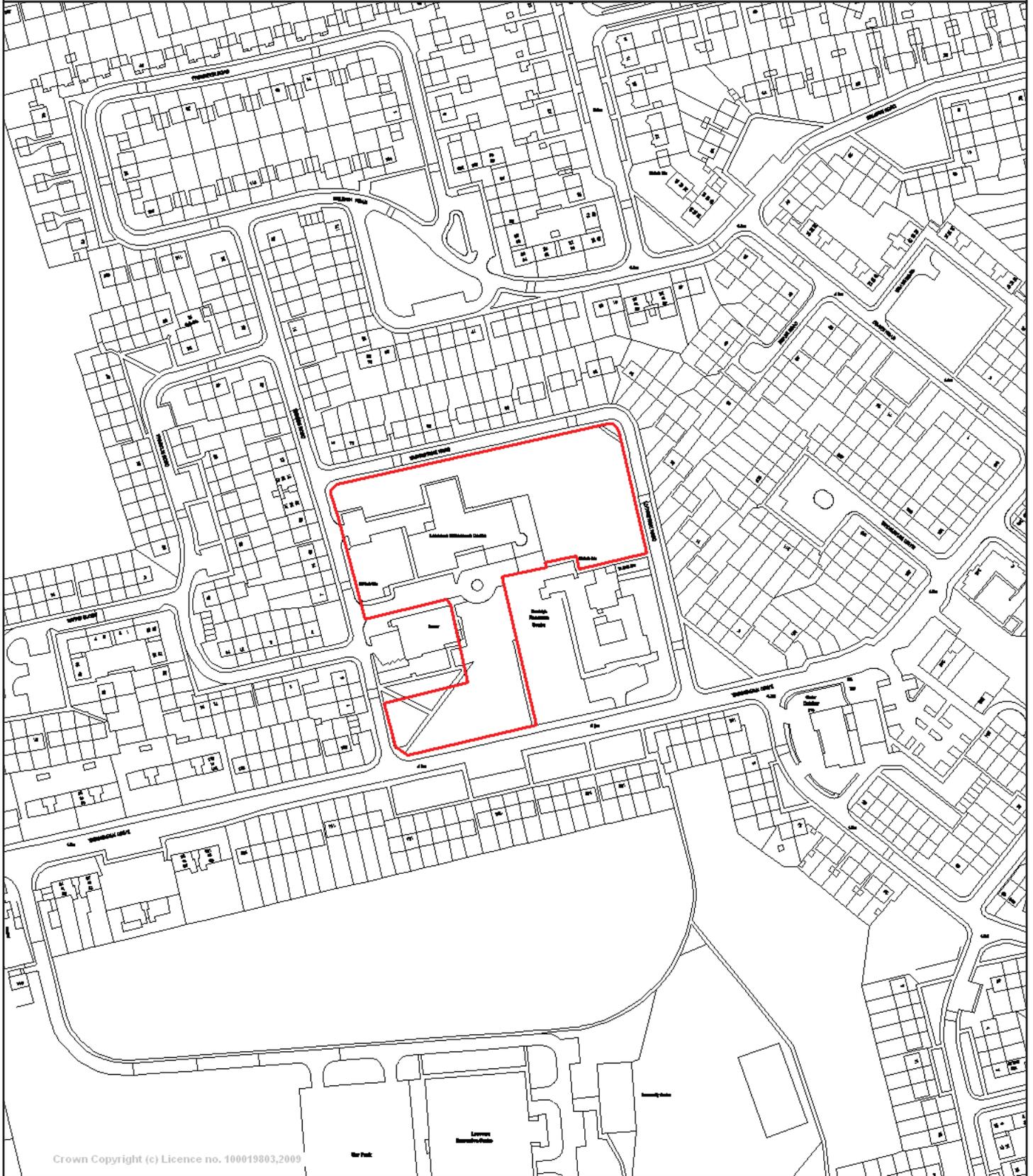
Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) **Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)**
- b) **Include any potential positive impacts as well as negative impacts? (section 5)**
- c) **Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?**
- d) **Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?**

Leasowe Millennium Centre



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Scale 1/2500

Centre = 327456 E 391527 N

Date 30/10/2012

Dept:
Section:

Page 237

Phone:
Fax:

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WIRRAL COUNCIL

CABINET – 20 DECEMBER 2012

| | |
|--|--|
| SUBJECT: | NEW BRIGHTON - ENVIRONMENTAL IMPROVEMENT SCHEME |
| WARD/S AFFECTED: | NEW BRIGHTON |
| REPORT OF: | INTERIM STRATEGIC DIRECTOR REGENERATION & ENVIRONMENT |
| RESPONSIBLE PORTFOLIO HOLDER: | REGENERATION AND PLANNING STRATEGY |
| KEY DECISION ? | YES |

1.0 EXECUTIVE SUMMARY

- 1.1 Cabinet at its meeting on 18 October 2012 [minute 108 refers] agreed the funding of £1.2m to implement the environmental scheme for New Brighton Promenade.
- 1.2 The processes involved in considering items affected by the freeze on Capital expenditure mean that the original implementation timescale for this project has had to be revised by the Interim Director of Technical Services. This revision shows that the works cannot be implemented without significantly impacting upon the spring/summer period in New Brighton and it is considered that as this impact would affect businesses and visitors to New Brighton, then the main works should be delayed until Autumn 2013.
- 1.3 In light of the above, this report sets out a revised timetable for the project, recommends that the health and safety works commence and are completed by February 2013 and seeks authority for the Interim Strategic Director Regeneration and Environment to proceed with the necessary procurement processes to undertake both elements of the works.

2.0 BACKGROUND

- 2.1 The proposals will build on the successful regeneration of New Brighton following the completion of the Floral Pavilion and Neptune's £60M mixed use development, through the provision of complementary, high quality environmental and public realm improvements along the landward stretch of the promenade from Marine Point to Victoria Parade. This will include the following improvements:
 - New footways, road surfaces and car parking provision;
 - Hard & soft landscaping works;
 - New lighting, street furniture;
 - Improved signage, pedestrian flow and crossing points;
 - Junction improvements at Rowson Street, Victoria Parade and Fort Perch Rock car park.

- 2.2 Outside of the new development the public realm and highways infrastructure along the promenade from Marine Point to Victoria Rd is in poor condition and needs improving. The state of the streetscene in the area is such that there is strong evidence that this is having a negative impact on the perception of the town amongst would be investors. If not addressed quickly this could have a detrimental impact on the number of visitors to New Brighton and jeopardise the future of existing businesses in the town.
- 2.3 Improvements to the public realm in the manner described will act as a catalyst for the remainder of the development and help stimulate reciprocal private sector investment in leisure and accommodation facilities along this stretch of the promenade. These new amenities will in turn benefit both the indigenous population and help to sustain visitor numbers and attract additional visitors to the area.

3.0 CURRENT POSITION

- 3.1 A public consultation/exhibition was held at the Floral Pavilion over 3 days at the end of May and the proposals drew widespread support. With the final design agreed, it had been the intention to implement the scheme in October for completion in January 2013. However due to the freeze on Capital spending in September the issuing of tenders for the works was suspended.
- 3.2 Members will recall that an element of the scheme includes the removal of a number of the existing brick planters to enable improved visibility at pedestrian crossing locations, which in turn will allow for the provision of additional car parking spaces. In addition the junction of Marine Promenade and the entrance to Fort Perch Rock car park will also be realigned to improve access and egress for both pedestrians and motorists visiting New Brighton and the Floral Pavilion. There will also be the creation of a lay by at the bottom of Rowson Street to provide a drop off and pick up point. At the present time vehicles are stopping on the roundabout and this is causing a safety issue with concerns being constantly raised by the Police.
- 3.3 It is proposed to advance these works at the earliest opportunity, with the implementation of the remaining major works postponed until next autumn. The costs for the improvements to the roundabout by the Floral Pavilion, the lay by and other safety works are estimated at £55,000 and it is anticipated that the works will take approximately six weeks to implement.
- 3.4 Given the modest level of funding required it will not be necessary to go through a formal tender process and the works will be approved and procured under existing delegation levels. In order to minimise any disruption to the public and existing businesses in close proximity, it is proposed that the works be undertaken in February - traditionally a "quieter" period for the Floral following the busy pantomime season.
- 3.5 In developing the larger remaining proposals, Officers have been mindful of the need in the current economic climate, to ensure the level of disruption to local businesses and visitors to be kept to a minimum. It is proposed therefore

that the implementation of the main improvements be deferred until October 2013, outside of the main spring/summer months, so as to lessen the impact on the local area.

Scheme Timetable

3.6 The revised proposed timetable for the scheme is as follows:

| Activity | Date |
|---|------------------------------|
| Cabinet endorsement of revised timetable | December 2012 |
| Final design of health & safety scheme agreed, works issued to Council's Highway Team Maintenance Contractor to implement | January to February 2013 |
| Finalise design & issue tender for main improvement works | June 2013 |
| Tender period | July 2013 |
| Tenders evaluated | August 2013 |
| Contract awarded (Cabinet) | September 2013 |
| Construction period | October 2013 to January 2014 |

4.0 RELEVANT RISKS

4.1 Returned tenders might result in projected costs being greater than the available budget, in which case Members will be informed and options for either increasing the available budget or revising the extent of the proposals to meet the budget will be reported.

5.0 OTHER OPTIONS CONSIDERED

5.1 The funding has been allocated for this specific purpose and therefore there are no other options to be considered.

6.0 CONSULTATION

6.1 As reported at paragraph 3.1, Council Officers facilitated a consultation exercise/exhibition of the proposed scheme at the Floral Pavilion earlier in the year. The findings from this have helped inform final designs.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are none specifically arising from this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 The Council Capital programme includes £1.2 million for the scheme. The spending profile is to be amended as follows:

| | | |
|-------------------|---------|-----------|
| Spend profile | 2012/13 | 2013/14 |
| | £ | £ |
| Original profile | 600,000 | 600,000 |
| Revised profile:- | | |
| Preparatory works | 30,000 | 0 |
| Road safety works | 55,000 | 0 |
| Main scheme | 0 | 1,115,000 |
| Revised profile | 85,000 | 1,115,000 |

8.2 Based on current estimates it is anticipated that it will cost around £55,000 to implement the road safety elements of the scheme. This will be funded from the £1.2m budget.

8.3 The revised timescale for this scheme will result in £85,000 being spent in 2012/13 and the balance of the budget £1,115,000 being spent in 2013/14.

8.4 The design and implementation of the scheme and the procurement of the contract will be carried out by existing staff in Technical Services and the fees for this work will be funded from the approved budget for the project..

9.0 LEGAL IMPLICATIONS

9.1 There will be a number of Traffic Regulation Orders required as part of the proposals which will be prepared, advertised and implemented in the normal manner, to meet the timescales for the scheme.

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and an impact review is attached – <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/technical-services-0>

11.0 CARBON REDUCTION IMPLICATIONS

11.1 There are no direct carbon reduction implications arising from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are no immediate planning implications arising from this report. There are positive community safety implications as a result of the proposals through improved pavement surfaces.

13.0 RECOMMENDATIONS

13.1 Cabinet is requested to:

(1) Approve the revised timetable and Capital Programme funding profile for the delivery of the scheme as set out in this report;

- (2) Authorise the Interim Strategic Director, Regeneration and Environment to proceed with the necessary procurement process to undertake the works.

14.0 REASONS FOR RECOMMENDATIONS

- 14.1 To allow for the road safety improvements to be implemented without delay and for the main scheme works to commence in October 2013. This is necessary in order to minimise the level of disruption for visitors to New Brighton and to mitigate the possible loss of trade for existing businesses over the spring and summer of 2013.

REPORT AUTHOR: Neil Mitchell
Project Manager
telephone: (0151 691 8423)
e-mail: neilmitchell@wirral.gov.uk

REFERENCE MATERIAL

No reference material has been used in the preparation of this report.

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|------------------------|------------------|
| Cabinet | 21 February 2012 |
| Cabinet | 12 April 2012 |

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Equality Impact Toolkit (new version February 2012)

Section 1: Your details

Council officer: Rob Clifford

Email address: robertclifford@wirral.gov.uk

Head of Service: Mark Smith

Chief Officer: Chris McCarthy

Department: Technical Services

Date: 28 November 2012

Section 2: What Council function / proposal is being assessed?

NEW BRIGHTON - ENVIRONMENTAL IMPROVEMENT PROPOSALS

Section 2b: Is this EIA being submitted to Cabinet or Overview & Scrutiny Committee?

Yes / No

If 'yes' please state which meeting and what date

.....Cabinet - 13 December 2012

And please add hyperlink to your published EIA on the Council's website

.....n/a.....

Section 3: Will the Council function / proposal affect equality in?
(please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Within the Equality Duty 2010, there are 3 legal requirements.
Will the Council function / proposal support the way the Council
.....(please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5: Will the function / proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any negative impact.

| Protected characteristic | Positive or negative impact | Action required to mitigate any negative impact | Lead person | Timescale | Resource implications |
|--------------------------|--|---|-------------------------------------|---------------------------|--------------------------------------|
| Disability | <p>Positive – interventions to maintain or improve access for those with restricted movement or who are blind or partially sighted are undertaken through compliance with national standards and guidance for highway design. Examples include the rationalising the provision of pedestrian crossings and dropped crossings.</p> <p>Negative – often disruption is caused to movement along or across a highway during the works, which</p> | <p>n/a</p> <p>Planning and implementing of roadworks is carried out in accordance with national standards</p> | <p>Ian Hatton</p> <p>Ian Hatton</p> | <p>n/a</p> <p>Ongoing</p> | <p>n/a</p> <p>Existing Resources</p> |

| | | | | | |
|--|--|--|--|--|--|
| | will may have particular impact on those with restricted movement or who are blind or partially sighted. | (Chapter 8). Care is taken to ensure that temporary access arrangements are introduced and maintained, and that advance publicity is clear about the impacts of the works. | | | |
| | | | | | |

Section 5a: Where and how will the above actions be monitored?

n/a

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

n/a

Section 6: What research / data / information have you used in support of this process?

None.

Section 7: Are you intending to carry out any consultation with regard to this Council function / policy?

Yes

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why: n/a

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place?

Through presenting the proposals for public inspection in the Locality, prior to finalising the design.

Before you complete your consultation, please email your 'incomplete' EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

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WIRRAL COUNCIL

CABINET

20 DECEMBER 2012

| | |
|--------------------------------------|--|
| SUBJECT: | LOCAL DEVELOPMENT FRAMEWORK FOR WIRRAL – ANNUAL MONITORING REPORT 2011/12 |
| WARD/S AFFECTED: | ALL |
| REPORT OF: | DIRECTOR OF REGENERATION, HOUSING AND PLANNING |
| RESPONSIBLE PORTFOLIO HOLDER: | COUNCILLOR PAT HACKETT, REGENERATION AND PLANNING STRATEGY |
| KEY DECISION? | YES |

1.0 EXECUTIVE SUMMARY

- 1.1 This report seeks Cabinet approval for the publication of the Council's statutory Annual Monitoring Report (AMR), which reports on the impact of land use planning policies and the preparation of local plans and other planning documents. There is no longer a requirement for the AMR to be submitted to the Secretary of State but copies of the AMR must be made available for public inspection on the Council's website.
- 1.2 This report also recommends a change in the approach to the future publication of monitoring information to meet the requirements of new national regulations that require the Council to make any up-to-date information collected for monitoring purposes available as soon as possible after the information has been collected.
- 1.3 The report recommends that the Portfolio Holder for Regeneration and Planning Strategy is given authority to approve the publication of future monitoring information on the Council's website and that future monitoring data is wherever appropriate made available in an open machine readable format subject to a licence that allows open re-use to maximise the value to the public.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Section 35 of the Planning and Compulsory Purchase Act 2004 previously required the Council to make a statutory annual report to the Secretary of State on the progress made in the preparation of Local Development Documents and on the extent to which the policies set out in existing Local Development Documents are being achieved.
- 2.2 Previous Annual Monitoring Reports have been approved by Cabinet prior to submission to the Secretary of State and published on the Council's website at <http://www.wirral.gov.uk/my-services/environment-and-planning/planning/local-development-framework/annual-monitoring-reports>
- 2.3 While the need to report to the public over a period no longer than every twelve months remains, changes introduced through the Localism Act 2011 have removed the need to submit an Annual Monitoring Report to the Secretary of State and the need to wait to gather all the information into a single annual report.

- 2.4 New national regulations now require the Council to make any up-to-date information collected for monitoring purposes available to the public as soon as possible after the information has been collected and, where relevant, to make reports on:
- the approval or adoption of local plans and supplementary planning documents;
 - the stage that each local plan or supplementary planning document has reached against the timetable specified for document preparation in the Council's Local Development Scheme and the reasons for any delay;
 - the delivery of net additional dwellings or net affordable dwellings against any number specified in a local plan within each reporting period and since the policy was first published, adopted or approved;
 - any adopted local plan policy that the Council is not implementing, alongside the reasons for not implementing it and the steps (if any) that the Council intend to take to secure that the policy is implemented;
 - the making of any neighbourhood development orders or neighbourhood development plans;
 - the collection and expenditure of any Community Infrastructure Levy, in the manner set out in the Community Infrastructure Regulations; and
 - details of the action taken to co-operate with other local planning authorities and prescribed bodies on strategic matters to secure the sustainable development or use of land.
- 2.5 Monitoring reports must be made available for public inspection at the local planning authority's principal office (and at any other such places as the local planning authority consider appropriate) and published on the local planning authority's website.
- 2.6 In future the information collected for annual monitoring will also be guided by the content of adopted local plans.
- 2.7 A draft monitoring plan for the Proposed Submission Draft Core Strategy was reported to Cabinet on 27 September 2012 (Minute 61 refers) and is available in the Council's on-line Document Library at:
<http://democracy.wirral.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13206&path=12848,13202>.
- 2.8 The monitoring plan for the Proposed Submission Draft Joint Waste Local Plan for Merseyside and Halton was reported to Cabinet on 22 September 2011 (Minute 125, page 85 of the Joint Waste Local Plan refers).
- 2.9 In terms of format, the Government's Open Data policy for local government now recommends that data (unless private or sensitive) is made available on-line in open and machine-readable formats so that it can be easily re-used by residents, businesses and other interested parties.
- 2.10 This report therefore recommends that monitoring data is published on the Council's website under a licence that allows open re-use in line with the recommendations set out in the 'Code of Recommended Practice for Local Authorities on Data Transparency' (DCLG, September 2011) and the Open Government Licence published by The National Archive or an equivalent standard, following the pre-publication approval of each dataset by the Portfolio Holder for Regeneration and Planning Strategy.

3.0 ANNUAL MONITORING REPORT FOR 2011/12

- 3.1 The draft Annual Monitoring Report for Wirral for 2011/12, which has been prepared in line with the previous format, is attached to this report.
- 3.2 Subject to Cabinet approving the recommendations set out elsewhere in this report, this will be last time that the monitoring information is presented in this single annual format.
- 3.3 Annual monitoring information will, however, still be published on the Council's website at: <http://www.wirral.gov.uk/my-services/environment-and-planning/planning/local-development-framework/annual-monitoring-reports> and through the Local Development Framework homepage at <http://www.wirral.gov.uk/my-services/environment-and-planning/planning/local-development-framework>

Progress on Policy Delivery

- 3.4 In terms of the main findings of this year's Annual Monitoring Report, while the majority of indicators continue to reflect the scale and local impact of the national recession, signs of some improvement are now evident in indicators related to retail, leisure and employment floorspace.
- 3.5 The amount of completed employment land and floorspace has improved to 7.2 hectares and 26,626 square metres (6 projects) in 2011/12, compared to 4.5 hectares and 16,242 square metres (20 projects) in 2010/11. The annual average take up over the ten years previous to April 2011 was 7.9 hectares (10 projects).
- 3.6 The amount of completed retail floorspace increased significantly to 21,880 square metres in 2011/12 from 1,603 square metres in 2010/11, due to the completion of projects including Asda in Birkenhead and Morrisons in New Brighton. The amount of completed leisure floorspace was also slightly higher than in 2010/11, at 4,304 square metres. The majority of both retail and leisure floorspace was, however, still being provided outside existing centres.
- 3.7 The delivery of new homes has continued to be suppressed by market conditions with only 268 dwellings completed in 2011/12, compared to the market peak of 820 in 2007/08, but was only four fewer than in 2010/11. The net figure of 22 for 2011/12 was again well below the annual average target of 500 net additional dwellings set out in the Regional Spatial Strategy, due to the increase in demolitions from 175 in 2010/11 to 242 in 2011/12.
- 3.8 The increase in demolitions is part of the targeted programme to remove poor quality, obsolete stock owned by Wirral Partnership Homes accounting for 78% of the demolitions and the demolition of stock in Council Neighbourhood Renewal Areas in Rock Ferry and Birkenhead to enable better quality, new housing to be delivered.
- 3.9 The supply of land with planning permission for new housing had, however, slightly increased to 3,250 units at March 2012, from 3,082 units in March 2011. The Council's housing land supply against the requirement in the Regional Spatial Strategy was 4.4 years at April 2012. Including a 20% buffer in line with national policy, would reduce this to 3.7 years.
- 3.10 The percentage of public open space managed to Green Flag Award Standard has, again, increased to 38% from 30% in 2010/11.
- 3.11 The number of domestic photovoltaic installations, cavity wall installations and loft installations has increased significantly over recent years and the number of cavity wall and loft installations is significantly higher than the average for Great Britain as a direct result of the Warmer Wirral Free Insulation Scheme.

3.12 Although the percentage of households in Wirral living in fuel poverty decreased from 22% in 2009 to 20.5% in 2010, this is still more than four percentage points higher than the national figure of 16.4%.

Progress on Plan Preparation

3.13 Progress on the Core Strategy for Wirral was last reported to Cabinet on 27 September 2012 (Minute 92 refers). The next stage is the publication of the Proposed Submission Draft Core Strategy, to allow representations and comments on the soundness and legal compliance of the proposals, before the Strategy is submitted for independent examination by a Planning Inspector appointed by the Secretary of State.

3.14 Publication of the Proposed Submission Draft is expected to take place towards the end of November 2012, with an eight week consultation period, to allow an additional two weeks over the Christmas and New Year period. Subject to the comments received and the completion of the work identified in Minute 92, the target date for the adoption of the final Core Strategy is now expected to be April 2014.

3.15 The preparation of a site-specific Site Allocations Local Plan will follow the completion of the public examination of the Core Strategy, with an anticipated start date of January 2014.

3.16 Progress on the Joint Waste Local Plan for Merseyside and Halton was last reported to Cabinet on 6 September 2012 (Minute 80 refers). Additional post-hearing modifications will be published for public consultation during mid-November 2012, again, with an extended consultation period to take account of the Christmas and New Year holidays. Subject to the comments received and the views of the Planning Inspector undertaking the public examination of the Plan, the final document is now expected to be adopted by each of the six participating councils by April 2013.

3.17 In terms of neighbourhood planning, Hoylake Village Life are so far the only community group to have formally applied to the Council to become a neighbourhood planning forum, which will also be consulted on during late 2012. The remaining groups at Devonshire Park, Liscard and Greasby will need to progress their formal applications in line with national regulations in due course.

4.0 RELEVANT RISKS

4.1 Failure to produce an Annual Monitoring Report for 2011/12 and to provide for the ongoing collection, analysis and publication of annual monitoring information would place the Council in breach of a statutory duty.

4.3 The Open Government Licence provides for the data to be provided as is and offers no warranty against any errors or omissions or against any loss, injury or damage of any kind caused by its use.

4.3 No data which could identify any individual will be published to avoid contravening the Data Protection Act 1998.

5.0 OTHER OPTIONS CONSIDERED

5.1 The alternative options available are constrained by national regulations which require the annual publication of monitoring information as soon as possible after the information becomes available.

5.2 Not providing data in open, machine-readable format would be contrary to the recommendations set out in the Government's 'Code of Recommended Practice for Local Authorities on Data Transparency' (DCLG, September 2011).

6.0 CONSULTATION

6.1 There is no requirement for public consultation on the content of annual monitoring reports, which are a factual statement of progress during the previous monitoring year. Copies of annual monitoring information must, however, be made available for public inspection at a principal office and on the Council's website.

6.2 The scope of future annual monitoring, in addition to any statutory requirements, is subject to public consultation as part of the preparation of statutory local plans, such as the Council's Core Strategy, which must include a series of indicators for monitoring the delivery and effectiveness of local plan policies.

6.3 Consultation on the draft Monitoring Plan to accompany the Proposed Submission Draft Core Strategy is expected to take place in November 2012.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are no implications for voluntary, community and/or faith groups, other than the provision of more accessible public information.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 There are no financial, IT, staffing or asset implications arising from this report, beyond the need to make continued provision for statutory annual monitoring and data storage.

8.2 The publication of data in a machine readable format on the Council's website will not incur any additional costs.

8.2 Annual monitoring, analysis and reporting will be undertaken using existing resources within the Forward Planning Section of the Regeneration, Housing and Planning Department.

9.0 LEGAL IMPLICATIONS

9.1. The publication of annual monitoring information is a statutory requirement under Section 35 of the Planning and Compulsory Purchase Act 2004.

9.2 The Council must make any up-to-date information collected for monitoring purposes available to the public as soon as possible after the information becomes available.

9.3 The Community Infrastructure Regulations 2010 require the Council to publish a report on its website no later than 31 December following the end of the reported year.

9.4 The Open Government Licence provides for the Council's right to be identified as the source of the data and for the Council to be protected from any liabilities arising from its use.

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review is attached at –

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/regeneration-housing-planning>

10.2 Although the Annual Monitoring Report includes information on indicators related to population, housing, economic activity, social conditions and the latest national Index of Multiple Deprivation for England, it does not in itself have any equalities implications other than providing an additional source of accessible up-to-date public information.

11.0 CARBON REDUCTION IMPLICATIONS

11.1 The Annual Monitoring Report includes information on indicators relating to development rates, travel patterns, environmental quality, energy, minerals and waste management but does not in itself have any carbon reduction implications.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 The Annual Monitoring Report includes information on recorded outcomes arising from the application of national, regional and local planning policies and local planning decisions in Wirral. The report does not have any community safety implications.

13.0 RECOMMENDATIONS

13.1 That the Annual Monitoring Report for 2011/12, attached to this report, and its accompanying data tables, are approved and placed on the Council's website for public inspection.

13.2 That the full Council be requested to approve that Schedule 5 of part 3 of the Constitution be amended to give the Portfolio Holder for Regeneration and Planning Strategy delegated authority to approve the publication of future monitoring information on the Council's website, to enable future monitoring information to be made available to the public as soon as possible after the information becomes available, in line with the requirements of the Town and Country Planning (Local Planning) (England) Regulations 2012.

13.3 That future monitoring information is wherever appropriate made available to the public on the Council's website in open and machine readable format subject to the Open Government Licence published by the National Archive or an appropriate equivalent standard, to allow open re-use to maximise the value of the data to the public.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 To enable the Council to meet the statutory requirements of the Planning and Compulsory Purchase Act 2004 (as amended) and the Town and Country Planning (Local Planning) (England) Regulations 2012 (SI 2012, No. 767).

REPORT AUTHOR: **Laura Myles**
Forward Planning
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email: lauramyles@wirral.gov.uk

APPENDICES

The Draft Annual Monitoring Report 2011/12 can be viewed in the Council's on-line Document Library

REFERENCE MATERIAL

[Planning and Compulsory Purchase Act 2004](#) (Section 35 refers)

[Localism Act 2011](#) (Section 113 refers)

[Town and Country Planning \(Local Planning\) \(England\) Regulations 2012](#) (Regulation 34)

[Community Infrastructure Regulations 2010](#) (Regulation 62 refers)

National Archives [Open Government Licence](#) for public sector information

[Code of Recommended Practice for Local Authorities on Data Transparency](#) (DCLG, September 2011)

Data tables for housing, employment, retail and leisure development are available within the Council's on-line Document Library under Information Items > Annual Monitoring Report 2012.

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|--|------------------|
| Cabinet – Annual Monitoring Report 2009 (Minute 234) | 9 December 2009 |
| Cabinet – Annual Monitoring Report 2010 (Minute 229) | 25 November 2010 |
| Cabinet – Annual Monitoring Report 2011 (Minute 244) | 8 December 2011 |

Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details

EIA lead Officer: Laura Myles, Planning Officer, Forward Planning

Email address: lauramyles@wirral.gov.uk

Head of Section: Andrew Fraser, Forward Planning Manager

Chief Officer: Kevin Adderley, Director of Regeneration, Housing and Planning

Department: Regeneration, Housing and Planning

Date: 31 October 2012

Section 2: What Council proposal is being assessed?

Publication of Local Development Framework Annual Monitoring Reports

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes / No If 'yes' please state which meeting and what date

Yes Cabinet - 13 December 2012

Please add hyperlink to where your EIA is/will be published on the Council's website

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/regeneration-housing-planning>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Although the Annual Monitoring Report includes information on indicators related to population, housing, economic activity, social conditions and the latest national Index of Multiple Deprivation for England, it does not in itself have any equalities implications other than providing an additional source of accessible up-to-date public information related to progress on land-use planning and development. Decisions based on the information provided in the Annual Monitoring Report will, if required, need to be addressed through a separate reporting and decision making process, which will be subject to a separate additional Equality Impact Assessment.

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

Please list in the table below and include actions required to mitigate any potential negative impact.

| Which group(s) of people could be affected | Potential positive or negative impact | Action required to mitigate any potential negative impact | Lead person | Timescale | Resource implications |
|---|--|--|--------------------|------------------|------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Section 5a: Where and how will the above actions be monitored?

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

Section 6: What research / data / information have you used in support of this process?

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes / No – (please delete as appropriate)

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why:

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)
- b) Include any potential positive impacts as well as negative impacts? (section 5)
- c) Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?
- d) Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?

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ECONOMY AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE 14 NOVEMBER 2012

33 TRADE CENTRE SCRUTINY REVIEW

The Chair presented the Scrutiny Review of Preparations for the International Trade Centre in Wirral, which had been prepared by the Trade Centre Scrutiny Panel, following a Notice of Motion accepted by the Council (minute 154 (16 April 2012) refers).

The Panel comprised Councillors Mark Johnston (Chair), Andrew Hodson and Jean Stapleton and was supported by a Scrutiny Support Officer, Alan Veitch. The Scope of the Review was agreed at the last meeting of the Committee (minute 19 (5 September 2012) refers) and the Chair commented upon the evidence gathering, which had informed the Final Report. The document contained 19 recommendations and he requested the Committee to support the document being referred to the next appropriate meeting of the Cabinet.

Members commented specifically upon the significant work being undertaken with schools in relation to foreign language learning as a skill for future job seekers and also, the need for planning to take place regarding the requirements of children moving to Wirral from overseas as result of the Trade Centre opening. In response to further comments from Members with regard to the support packages to be put in place for companies and employees relocating from overseas to Wirral, the Director of Regeneration, Housing and Planning reported that the increased business rates that would be available to the Council as a result of the Enterprise Zone status could be used to support and facilitate the work of the support team.

Resolved –

- (1) That the contents and recommendations of the Trade Centre Scrutiny Review be supported.**
- (2) That the Trade Centre Scrutiny Report be referred to the next appropriate meeting of the Cabinet.**
- (3) That further reports be presented to the Economy and Regeneration Overview and Scrutiny Committee to update members regarding the progress being made towards the implementation of the recommendations.**
- (4) That the thanks of the Committee be accorded to the Members of the Scrutiny Panel for the significant work undertaken in the review of preparations for the International Trade Centre and also to Mr A Veitch, Scrutiny Support Officer.**

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WIRRAL BOROUGH COUNCIL

ECONOMY AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE 14 NOVEMBER 2012

REPORT OF THE TRADE CENTRE SCRUTINY REVIEW PANEL MEMBERS

TRADE CENTRE SCRUTINY REVIEW – FINAL REPORT

EXECUTIVE SUMMARY

This report provides background information regarding the Final Report of the Trade Centre Scrutiny Review.

1. Background

- 1.1 Council Notice of Motion
Council, on 16th April 2012, unanimously agreed a Notice of Motion which included the following:

“Council therefore calls on the three Parties to agree membership for a 1:1:1 Member Working Party, reporting to the Economy and Regeneration OSC. This Working Party will scope a project leading to recommendations to ensure this Council and its partners are Trade Centre Ready and able to embrace all opportunities for development through its growing links with China and other countries and that potential barriers to businesses and investors are identified and recommendations made as to how these can be overcome”.

1.2 Panel Membership

As a result, at the meeting of the Economy and Regeneration Scrutiny Committee, held on 7th June 2012, members agreed to undertake an in-depth scrutiny review to produce an informed response to the Notice of Motion. A Panel of Members was formed, the membership of which was:

- Councillor Mark Johnston (Chair)
- Councillor Andrew Hodson
- Councillor Jean Stapleton

The Panel has been supported by a Scrutiny Support Officer, Alan Veitch.

2. Scope of the Review

- 2.1 Subsequent to the Committee meeting in June, the Panel Members proposed that the review should consider a number of key areas. The Scope Document for the scrutiny review was agreed by the Economy and Regeneration Overview and Scrutiny Committee in September 2012.

- 2.2 It was agreed that the review would concentrate on the following issues:
- What is the provision of local services available to Wirral companies as they prepare to trade with new companies and emerging markets?
 - How can Inward Investors be made to feel most welcome in Wirral?
 - What are the business support needs of companies operating in the International Trade Centre?
 - How is the International Trade Centre to be marketed and what role can the Council play?
 - How can cultural links be developed?
 - What are the issues regarding language and education barriers / opportunities?
 - What needs to be done to ensure adequate cultural awareness and training among Council officers and members?

3 Evidence Gathering and the Report

- 3.1 The Panel Members have met with a number of Council officers in addition to a series of visits to discuss relevant issues with representatives of organisations external to the Council, including some members of the voluntary and community sector.

The Panel members express their thanks to all those who have assisted the review by so readily giving their time, experience and suggestions.

- 3.2 The Final Report, 'Preparations for the International Trade Centre in Wirral', which includes nineteen recommendations, is attached for consideration by the Committee.

RECOMMENDATIONS

- (1) Members are requested to support the contents and recommendations of the Trade Centre Scrutiny Review;
- (2) The Trade Centre Scrutiny Report should be referred to the next appropriate Cabinet meeting;
- (3) Further reports will be presented to the Economy & Regeneration Overview and Scrutiny Committee to update members regarding the progress being made towards the implementation of the recommendations.

Report of the Trade Centre Scrutiny Panel Members:

Cllr Mark Johnston (Chair)

Cllr Andrew Hodson

Cllr Jean Stapleton

**SCRUTINY REVIEW of PREPARATIONS FOR
THE INTERNATIONAL TRADE CENTRE IN WIRRAL**

伟卢欢迎您

2014

Wirral welcomes you in 2014

A report produced by
**THE ECONOMY & REGENERATION
OVERVIEW & SCRUTINY COMMITTEE**

WIRRAL BOROUGH COUNCIL

**PREPARATIONS FOR
THE INTERNATIONAL TRADE CENTRE
IN WIRRAL**

SCRUTINY REVIEW

FINAL REPORT

| | <i>Page</i> |
|---|-------------|
| 1 EXECUTIVE SUMMARY & RECOMMENDATIONS | 3 |
| 2 COMMENTS FROM PANEL MEMBERS | 9 |
| 3 BACKGROUND AND ORIGINAL BRIEF | 11 |
| 4 METHODOLOGY FOR THE REVIEW | 12 |
| 5 EVIDENCE FOR THE RECOMMENDATIONS | |
| 5.1 The concept of the International Trade Centre | 13 |
| 5.2 Budget and organisational Issues | 14 |
| 5.3 Opportunities for existing Wirral businesses | 15 |
| 5.4 Making Inward Investors welcome | 16 |
| 5.5 ITC business support needs | 19 |
| 5.6 Marketing | 19 |
| 5.7 Development of cultural links | 20 |
| 5.8 Language and education | 21 |
| 5.9 Council Officers' / Members' cultural awareness and training | 24 |

APPENDICES

| | |
|------------------------|----|
| 1 Scope Document | 26 |
|------------------------|----|

TABLES

| | |
|--|----|
| 1 Number of EAL (English as an Additional Language) Children in Wirral (as at Jan 2012) | 23 |
|--|----|

1. EXECUTIVE SUMMARY AND RECOMMENDATIONS

The Panel Members have gained an understanding of the enormous effort that has taken place in order to put Wirral in the position where significant and lasting inward investment is a real possibility. The International Trade Centre (ITC) is due to open during 2014 which will hopefully provide the impetus for further investment in the wider Wirral Waters project. With that investment will come jobs. The Director of Regeneration, Housing and Planning, Kevin Adderley, has led the team on behalf of the Council which has worked with the lead partners, Peel Holdings and Sam Wa International. The Panel Members fully recognise the contribution of that team. During this Scrutiny Review, it has also been pointed out that the cross-party political support for the concept of the International Trade Centre has been crucial in providing the platform for effective decision-making to take place. The Peel Group has formed a partnership with a Chinese company, Sam Wa International, to deliver the ITC. The contribution of the Council's two partners in the development is also recognised and welcomed. The Panel Members believe that the ITC is a good news story for Wirral.

What is the International Trade Centre? - The purpose of the ITC will be to facilitate the promotion and sales of goods to the wholesale market of the UK and the rest of Europe. The Trade Centre will enable up to 1,000 separate companies from China, India, South Korea or other emerging economies to exhibit, sell, assemble and distribute their goods into the UK, Irish and European market. The International Trade Centre will be based on a series of four buildings with a total floor space of 230,000 square metres (2,500,000 square feet). It will be constructed on land at West Float, Birkenhead. The first of the four buildings, Phase 1, will be 600,000 square feet in size and is expected to provide a base for up to 300 new overseas businesses. Ground clearance has already commenced and Phase 1 of the development is scheduled to open during 2014.

Should the ITC be a priority for the Council? - Panel Members are aware of the extreme financial conditions which currently face the Council and understand that budget savings must be made. Difficult decisions will be needed. However, the Council's Corporate Plan states that "Creating and safeguarding jobs and attracting new investment" is one of the leading priorities. The International Trade Centre provides Wirral with an enormous opportunity. As well as welcoming many overseas companies to the Borough, there is the possibility of over 2000 jobs being created for UK-based employees. Furthermore, there is the prospect that the ITC could provide the impetus for further investment and job creation in the longer term through the Wirral Waters project. The Panel Members have, therefore, concluded that the success of the ITC should be considered to be a high priority for the Authority and that this should be reflected in the Council's budgetary process.

This Report provides a view of the current position of the Council's part in the ITC project. However, the project is developing and requirements will change. It is, therefore, necessary that the Council is able to adapt to and support those changing requirements. Due to the high profile of the ITC project, the Panel Members propose that a member-led Working Group should be formed to support that process. There are many unknowns relating to the planning for the project. As tenants for Phase 1 of the project are still being acquired, the nature of the companies plus the numbers of overseas employees and family members moving to Wirral remain unknown. Therefore, detailed planning remains difficult.

What are the needs of businesses in the ITC? - Evidence gathered during the Review suggests that the majority of business needs of the ITC tenants will be met through Peel Holdings. A management team, provided by Peel, will be permanently situated within the ITC complex. This in-house Peel team will permanently manage the site and be available to talk to the tenants. In addition, Invest Wirral already provides a highly regarded service to Wirral-based businesses. It is anticipated that any specific business support which is required from the Council will be provided through that channel. Once further planning has taken place, a view will need to be taken on the capacity of the core team at Invest Wirral to take on any additional workload.

What support will be required for employees from overseas? - The support needs for companies and their employees are likely to differ depending on individual needs. However, evidence emerged during the Review of backing for the establishment of 'soft landing' support. The concept is based upon the provision of a single point of contact to assist employees in making arrangements, for example, with accommodation and school requirements. It is likely that much of the support will result in sign-posting to relevant organisations for services which may, in some cases, already exist. At this stage, the precise requirements are uncertain. Once companies have become established as tenants of the ITC, these requirements will become clearer and will enable further detailed planning to take place.

In addition to the 'soft-landing' support, it is proposed that a detailed information pack is produced. It appears that much useful information is already available but needs to be coordinated in a centralised form. Although a limited amount of material may be required in hard copy, it is proposed that the majority of the information should be made available on websites or via download and that at least some should be translated into major alternative languages.

The point was made by several witnesses that the personal welcome from work colleagues and neighbours is very important. For newcomers to the UK, personal contact will be critical and it is, therefore, suggested that a team of volunteers could be assembled to show newcomers what it is like to be British by inviting them into their homes for a meal and escorting them on local visits. The Panel Members are, therefore, proposing the formation of a group of UK-based volunteers, 'International Welcomers', acting as cultural ambassadors, to showcase British food and culture. It is also important that the existing Black and Minority Ethnic (BME) communities in Wirral, including the Chinese community, are given the opportunity to act as ambassadors and buddies to the new arrivals.

What are the opportunities for Wirral businesses? - From the perspective of Wirral businesses, the biggest advantage of the International Trade Centre will be the many major businesses and business people on the doorstep. This will open up opportunities to trade. Equally, there will be some opportunities for service industries that will arise. Further work needs to be done to identify those opportunities which may be suitable for Wirral businesses. Invest Wirral currently hosts networks for Wirral-based businesses, delivered via the BusinessWirral.com website. It is suggested that once the new opportunities arising from the ITC are identified, these are discussed further within the Business Forums / networks. Opportunities for businesses to apply for 'preferred partner' status for the ITC may also arise. As a result, it may be possible for workshops to be provided, aimed at business people providing services such as car hire and hotels to help alleviate language and cultural barriers.

How can cultural links be developed and celebrated? - The International Business Festival, which is being led by Liverpool, but of which Wirral is a partner, is due to be held in July 2014. This will hopefully coincide approximately with the opening of the ITC. Although the Business Festival is not a cultural event in itself, it will, however, provide the opportunity for cultural events such as dragon boat racing to run alongside and to promote cultural issues. This will be a great opportunity to showcase different communities to the rest of Wirral. It is worth noting that the meetings held during this Review revealed very low knowledge amongst those participants regarding the twinning arrangements that are in place with Wirral Council.

There are organisations in Wirral that work directly with the BME communities. Among these groups are Wirral Change and Wirral Multicultural Organisation, both of whom provide a rich resource for the Borough. As the detailed planning for the 'soft-landing' takes place, it may well be that such community groups will be well placed to provide some of the services that will be required when the overseas employees arrive at the ITC. The Council will need to be clear on those requirements. From the Council's perspective, although there are a number of contracts already in place with both organisations, the precise detail of all of those contracts was not clear to the Panel Members. The relationship between the Council and these organisations also did not appear to be on an outcome-led basis. It is, therefore, suggested that a review should take place to identify a clear understanding of the current contractual arrangements, explore the future requirements and create an environment where greater emphasis is placed on measurable outcomes of the services provided.

What are the implications of the ITC for education? - As the lead investors are Chinese, it is fair to assume that, although not exclusively so, the initial wave of tenants in the ITC will include a proportion of Chinese companies. Although employees arriving from China are likely to be English speakers, this may not necessarily be the case with family members. In addition, the ITC may provide job opportunities for Wirral people. The ability to communicate in Mandarin may well be a useful skill for future job seekers.

Teaching of Mandarin is already available across a number of schools in Wirral. The language is already taught at Calday Grange Grammar School and Upton Hall School. The experience of Calday Grange Grammar School is of particular interest, where the school has become established as an Advanced Confucius Classroom, a status recognised by the Chinese Government authorities. Within the school, 40 pupils have studied Mandarin to GCSE Level in 2011/12. The Confucius Classroom also provides the resource to teach Mandarin in primary schools, aimed at children in Year 2 upwards. Chinese language, culture, arts and crafts are already taught in 25 primary schools in Wirral via this outreach arrangement. With regard to other schools, in the future, it is possible that the increasing use of the English Baccalaureate will lead to more teaching of languages as the Baccalaureate requires an A*-C in a foreign language. However, in the past, changing the curriculum has not happened quickly.

Planning will need to take place regarding the education requirements of children moving to Wirral from overseas as a result of the Trade Centre opening. The current school admission policy is lengthy. It will, therefore, be necessary to address issues relating to the timing and the length of the schools' admission process when employees and their families may arrive at relatively short notice. It is also likely that schools are not yet widely aware of the International Trade Centre and the implications for education. As an example, the business needs of companies operating in the ITC will create new jobs, which may require some new skills including language skills. It is, therefore, suggested that an awareness process takes place with the schools in the Borough.

If family members arrive in Wirral with little English language knowledge, it should be the case that existing services will be in place to support those families and children. The MEAS service (Minority Ethnic Achievement Service) is a well-established service in Wirral, being part of the Council's Children and Young People's Department. The MEAS team was formerly funded by a Direct Government Grant to the Council. However, the grant is now allocated directly to schools. A review has recently taken place regarding the future requirements of schools. Final decisions will be made in January 2013. It will be important that the MEAS team is able to demonstrate its worth to the schools across the Borough to guarantee continued support from as many schools as possible in order to maintain the funding.

What about Council officers and Members? - During this Review, it has been made clear that those UK citizens associated with the ITC project who have visited China have been made to feel extremely welcome. It is important that visiting delegations from China and other countries are made to feel equally welcome. This is of particular relevance to the Council when delegations are visiting municipal buildings, such as Wallasey Town Hall or Birkenhead Town Hall. Relatively small measures, such as a welcome in the language of the visitors can make a difference. Equally, Council officers should do what they can to understand and respond positively to challenges arising from cultural differences. It is important that potential inward investors are shown priority and, therefore, unnecessary bureaucracy should be avoided wherever possible.

The Panel Members also agreed that it would be helpful if a larger cohort of Council Members had a greater understanding of the vision for the International Trade Centre and beyond. It is suggested that informal meetings with Lindsey Ashworth of Peel Holdings in addition to the appointment of an ITC Champion would help to raise the profile of the ITC project among the Members.

In considering the evidence found during the Review, the Panel Members have formulated the recommendations identified on pages 6 to 8.

RECOMMENDATIONS

Recommendation 1 – The International Trade Centre as a Council priority

The International Trade Centre is recognised as a great opportunity for the Borough and consequently is a high priority for the Council. Despite the extreme financial conditions faced by the Authority, the preparations for the Trade Centre should formally be reflected as a high priority within the Council's budgetary process.

(Reference Section 5.2, page 14)

Recommendation 2 – Relationships

The Panel Members urge that strong consideration be given to ensure a consistent and relational-based approach is maintained with regard to the existing partners engaged in the ITC project.

(Reference Section 5.2, page 14)

Recommendation 3 – Creation of a member-led Working Group to oversee the delivery of the Trade Centre project

Due to the high profile of the International Trade Centre project, a member-led Working Group should be created to oversee the implementation of the recommendations from this Scrutiny Review and, in the longer term, the delivery of the ITC project from the Council's perspective.

(Reference Section 5.2, page 15)

Recommendation 4 - The gathering of corporate and individual requirements from prospective tenants

As soon as tenants for the International Trade Centre have been recruited, Wirral Council and Peel Holdings should work together to determine the corporate and individual requirements of those who will be moving to Wirral. The resulting information will inform social needs, such as for housing and education, and will enable more detailed planning to take place.

(Reference Section 5.2, page 15)

Recommendation 5 – Official opening of the International Trade Centre

The International Trade Centre will create the greatest concentration of foreign-owned businesses in the UK and will provide a major boost to the economy in Wirral and the Liverpool City Region. To mark an event of significance to the UK economy, consideration should be given to an invitation being made to a member of the Royal Family and/or a senior Government figure to open the Trade Centre.

(Reference Section 5.2, page 15)

Recommendation 6 – Provision of information regarding opportunities for existing Wirral businesses

The opportunities arising from the International Trade Centre for existing Wirral businesses can best be disseminated by use of the existing Wirral Business Forums, which are already coordinated by Invest Wirral on BusinessWirral.com. Consideration should be given to the creation of a preferred partners' list for the International Trade Centre. Wirral businesses could be given the opportunity to apply for 'preferred partner' status for a range of services from taxis to hotels. In return, appropriate training in language, cultural and business etiquette could be offered to such businesses.

(Reference Section 5.3, page 16)

Recommendation 7 – 'Soft-landing' support

Consideration should be given to establishing a Council-led 'soft-landing' support team which will be available to those companies and employees relocating from overseas to Wirral. In due course, further to the determination of exact requirements, a report should be produced for Cabinet to explain the purpose and proposed delivery of the support. The required support is likely to provide sign-posting for issues such as:

- Accommodation
- Education and schools
- Health issues
- Information on NHS provision and medical insurance
- Preferred partners for insurance

- Police registration (for visa requirements)
- Point of contact with the 'International Welcomer' volunteers
- Recruitment of staff for the new companies
- Driving instruction
- Cultural advice and support
- General queries and advice

The increased business rates which will be available to Wirral Council as a result of Enterprise Zone status could be used to facilitate the 'soft-landing' support team. Such a team would be time-limited based around the need to manage the significant influx of new residents and ensure they have the best possible start to their new life on the Wirral. All of our investigation points to the importance of relational-based support within eastern cultures.

(Reference Section 5.4, page 17)

Recommendation 8 – Information Pack

An Information Pack will be produced. The Pack will provide practical information and will be available to newcomers and those planning to move to Wirral. The information should be available primarily via a website. Consideration should also be given to the development of a Wirral App from which relevant information could be downloaded. The Information Pack will be translated into major alternative languages, for example, Mandarin.

(Reference Section 5.4, page 18)

Recommendation 9 – The 'International Welcomer' team of volunteers

An 'International Welcomer' team of volunteers should be created to provide new arrivals from overseas with British cultural experiences while showcasing Wirral. The volunteer team will enable new arrivals to be familiarised with British culture by inviting them into their homes for a meal and escorting them on local visits. The 'International Welcomer' team should include the recruitment of students / families of Wirral schools who teach languages such as Mandarin. This will enable those students to have the opportunity to improve their language skills at the same time as providing a valuable service.

(Reference Section 5.4, page 18)

Recommendation 10 – Birkenhead Town Hall and environs

As Birkenhead Town Hall is likely to be the base for Peel's marketing team in Wirral, it is important that steps are taken by Wirral Council to create a secure, safe and welcoming environment for the many overseas visitors who are likely to visit. This would be enhanced by the Council supporting the introduction of a 'Friends of Hamilton Square' Group.

(Reference Section 5.4, page 18)

Recommendation 11 – Awareness-raising of the benefits to Wirral of the International Trade Centre

The Council's Head of Communications and Community Engagement is requested to work closely with Peel Holdings in order to stress the positive aspects of the International Trade Centre for Wirral's residents.

(Reference Section 5.6, page 20)

Recommendation 12 – Events to celebrate cultural diversity

In order to celebrate Wirral's cultural diversity, both large and small-scale cultural events should be held in Wirral to coincide with the International Business Festival and to celebrate the opening of the International Trade Centre. The Council's Head of Communications and Community Engagement is requested to ensure that Wirral's BME communities, Neighbourhood Forums and young people, particularly through schools, play a central role in the planning of these events. The successful model of the community-based Big Lunches could be used to encourage cultural street parties throughout the Borough.

(Reference Section 5.7, page 20)

Recommendation 13 – Review of services provided by Wirral Multicultural Organisation and Wirral Change

The contribution of both Wirral Multicultural Organisation and Wirral Change to residents in Wirral is recognised and welcomed. However, further clarity regarding the expectations of both the Council and these partners relating to service provision and funding would be beneficial. Therefore, a full service review, including current contractual arrangements, should be undertaken. The review should lead to a greater emphasis on measurable outcomes for the services provided.

(Reference Section 5.7, page 21)

Recommendation 14 – Volunteering opportunities

Consideration should be given to ways of involving the family members of those newly-arrived overseas employees in the life of Wirral. This will involve the encouragement of volunteering among those family members in projects such as the MEAS (Minority Ethnic Achievement Service) Volunteering Scheme and opportunities with Wirral Multicultural Organisation, Wirral Change and the wider voluntary sector.

(Reference Section 5.7, page 21)

Recommendation 15 – The awareness of the International Trade Centre within schools

The Director of Children and Young People's Department is requested to raise awareness of the International Trade Centre with headteachers and school governors regarding:

- The possibility of a number of new students arriving throughout the academic year;
- New job opportunities which may arise in Wirral, particularly for those with the right skills, including relevant language knowledge. Consideration should be given to ensuring that required skills for jobs in the ITC influence the development of the curriculum;
- Opportunities for schools to get involved in the cultural events being planned to coincide with the International Business Festival and the opening of the International Trade Centre. (See Recommendation 12)

(Reference Section 5.8, page 23)

Recommendation 16 – Awareness of the Council's Minority Ethnic Achievement Service (MEAS)

The Director of Children and Young People's Department is requested to ensure that all schools are made fully aware of the potential increase in the number of children from overseas arriving in Wirral and the potential impact on the Council's Minority Ethnic Achievement Service (MEAS). The Schools Forum may be a helpful mechanism.

(Reference Section 5.8, page 24)

Recommendation 17 – A warm welcome in Wirral

Delegations from overseas must be made to feel welcome in Wirral and especially at Council buildings, including Wallasey Town Hall. An appropriate visible welcome should be provided including cultural displays which may present the opportunity for school involvement.

(Reference Section 5.9, page 25)

Recommendation 18 – Members' meetings with Lindsey Ashworth

Opportunities should be explored to give all Council members the opportunity to meet and discuss relevant issues with the Development Director of Peel Holding, Lindsey Ashworth.

(Reference Section 5.9, page 25)

Recommendation 19 – Appointment of an ITC Champion

Wirral Council should appoint an ITC Champion to help increase the profile of the International Trade Centre within the Council and to help plan for the Council's involvement in the successful delivery of the project.

(Reference Section 5.9, page 25)

2. COMMENTS FROM PANEL MEMBERS

Councillor Mark Johnston (Chair)



It is not over dramatic to say that the International Trade Centre presents itself as a once-in-a-lifetime opportunity for the Wirral. Peel's commitment, investment and vision have found a willing partner in the Council who are ready to embrace a golden opportunity. A significant influx of developing market companies has the potential to create sustainable employment, provide opportunities for existing Wirral businesses and attract visitors from all over the world. It could also unlock vital investment to turn the dream of Wirral Waters into bricks and mortar and see the re-birth of a once thriving hub of enterprise.

Increased Business Rates, increased demand for housing, the added purchasing power of new residents, improving our GVA (Gross Value Added), growing a reputation as a great place to do business, regeneration impacting on our key deprivation issues such as child poverty and unemployment, investment into the east of the Borough and richer cultural diversity are just a few of the value added benefits of the ITC.

One of the most impressive things about the ITC and Wirral Waters is the total unity that the project has inspired. The far-sighted decisions to invest into relationships and not skimp on this development are a credit to several former leaders of the Council and key Council officers.

As a community we stand on the brink of something with the potential to positively impact the whole of the Borough. The Council must be the community leader on this project and we should be rightly proud and be bold in telling everyone the good news of the ITC.

This story of hope and potential is taking place against a back drop of worldwide recession, national budget cuts and a set of challenges facing local government that is unprecedented. It is truly remarkable that this development is taking place given the back drop! Therefore, it is imperative that we continue to embrace this opportunity even if that means a short-term investment to make sure that Wirral is ready to grab hold of every opportunity presented. Losing our nerve at this late hour and failing to continue with investment is surely not an option.

Councillor Andrew Hodson



I am delighted to have been associated with the Panel in working towards building a social and economic foundation and ensuring a Wirral welcome for those who will be involved and working within the Trade Centre.

This is an exciting time for Wirral and I know that Wirral Council is committed to working in partnership with Peel Holdings to ensure that Wirral Waters will be a resounding success.

Councillor Jean Stapleton



It is remarkable that Peel Holdings in partnership with Wirral Borough Council have continued to drive the development of the International Trade Centre despite the recession. It has the potential to stimulate the local economy, assist businesses to grow and to provide new job opportunities for Wirral residents.

All parties in Wirral have put their political differences aside to ensure the smooth passage of this project through all the planning and development processes. This in itself shows the level of importance given and the determination of everyone in the Council to ensure the project's delivery.

The recommendations made in this Report are made against a backdrop of unprecedented financial challenges facing the Council. It is my hope that Officers will be able to use sources of funding outside the core budget in order to finance the recommendations made wherever possible.

3. BACKGROUND AND ORIGINAL BRIEF

At the meeting of the Economy and Regeneration Scrutiny Committee held on 7th June 2012, members agreed to undertake an in-depth Scrutiny Review to produce an informed response to the Notice of Motion that was approved by Council on 16th April 2012. The Notice of Motion, which was agreed unanimously, stated:

That:

1) Council recognises that all political parties have consistently worked in true political partnership to support the Wirral Waters project. This unified approach has assisted Peel in the development of this project and helped to attract significant and further potential Chinese and other investors.

(2) Council also recognises the outstanding input from key Officers to ensure that Wirral is presenting itself as a highly attractive investment partner and destination.

(3) Council is encouraged to see that Peel have secured and match funded £1.3 million of Government funds to start preparing the ITC site, with land remediation works already underway, and that recent visits by delegations from China were highly successful in presenting the Trade Centre site as an attractive location for potential tenants, with a further delegation expected in April.

(4) Council now calls for work to "prepare the ground" for Wirral to be Trade Centre Ready, so that Wirral and its residents and businesses are in the best possible position to embrace all the potential business opportunities that will come and that we can offer the best possible support to businesses and investors that come here, to ensure the ITC is a long term success.

(5) Work needs to be undertaken to ensure Wirral is ready, particularly in the following areas:

(i). Trade, export, marketing and inward investment

(ii). Employment and skills

(iii). Education, including languages and training

(iv). Culture and development of longer term links with China, Korea, India and other countries likely to develop significant future business links with Wirral.

(6) Council therefore calls on the three Parties to agree membership for a 1:1:1 Member Working Party, reporting to the Economy and Regeneration OSC. This Working Party will scope a project leading to recommendations to ensure this Council and its partners are Trade Centre Ready and able to embrace all opportunities for development through its growing links with China and other countries and that potential barriers to businesses and investors are identified and recommendations made as to how these can be overcome.

(7) Council requests that the Working Party completes this work in time to enable any recommendations to be implemented before the ITC is built and opens for business and so that recommendations have enough time to be considered for the setting of 2013/14 budget, as appropriate.

(8) Council also requests that the first meeting of the Working Party receive a report updating on progress in relation to paragraph 3 of the previous Notice of Motion on this topic (Minute 53, 17 October 2012 Council refers).

Subsequent to the Committee meeting in June, the Panel Members proposed that the Review should consider a number of key areas. The Scope Document for the Scrutiny Review, attached as Appendix 1 to this Report, was agreed by the Economy and Regeneration Overview and Scrutiny Committee in September 2012. It was agreed that the Review would concentrate on the following issues:

- What is the provision of local services available to Wirral companies as they prepare to trade with new companies and emerging markets?
- How can inward investors be made to feel most welcome in Wirral?
- What are the business support needs of companies operating in the International Trade Centre?
- How is the International Trade Centre to be marketed and what role can the Council play?
- How can cultural links be developed?
- What are the issues regarding language and education barriers / opportunities?
- What needs to be done to ensure adequate cultural awareness and training among Council officers and members?

4. METHODOLOGY FOR THE REVIEW

The Panel has employed a number of methods to gather evidence:

4.1 Meetings with relevant organisations

A series of visits has taken place at which the Panel Members could discuss relevant issues with representatives of organisations external to the Council, including some members of the voluntary and community sector. All of the visits were very constructive and highlighted issues relevant to the Review. Those visited during the course of the Review were:

Peel Holdings

- Lindsey Ashworth, Development Director

Calday Grange Grammar School

- Mark Rodaway, Headteacher
- Jacqui McIver, Confucius Classroom Coordinator
- Geoff Bosworth, Confucius Classroom Manager
- Lisa Wang, Head of Chinese Studies
- Janey Xie, Hanban Teacher
- Juan Qui , Hanban Teacher

Wirral Multicultural Organisation

- Raza Moula, Chief Executive
- Mindy Rutherford, Office Manager
- Kazi Ahmed, Chair
- Steve Tam, Treasurer
- Shyamal Mukherjee, Board Member
- Van Tran, Board Member
- Shanti Saagar, Board Member
- Councillor Brian Kenny, Board Member

Wirral Change

- Clint Agard, Chief Executive

4.2 Meetings with Officers

A series of individual meetings has taken place at which the Panel Members could discuss relevant issues with key officers from Wirral Borough Council. In addition, Kevin Adderley, Director of Regeneration, Housing and Planning provided advice to the Panel Members during both the initial planning stage and the closing phase of the Review. Those interviewed during the course of the Review were:

Wirral Borough Council

- Emma Degg, Head of Communications and Community Engagement
- Jacqui Cross, Corporate Equality & Cohesion Manager
- Paula Basnett, Senior Investment Manager, Invest Wirral
- Maud Duthie, International Business Manager, Invest Wirral
- Alan Evans, Strategic Investment Manager
- Stuart Bellerby, Strategic Service Manager, Secondary Education
- Sue Talbot, Strategic Service Manager, Primary Education
- Phil Sheridan, Headteacher consultant - Secondary
- Steve Dainty, Headteacher consultant - Primary
- Sarah Howarth, Manager, MEAS (Minority Ethnic Achievement Service) / Lifelong Learning
- Avril McCarthy, EAL (English as an Additional Language) Consultant

5. EVIDENCE AND RECOMMENDATIONS

5.1 The concept of the International Trade Centre

The purpose of the ITC will be to facilitate the promotion and sales of goods to the wholesale market of the UK and the rest of Europe. The Trade Centre will enable up to 1,000 separate companies from China, India, South Korea or other emerging economies to exhibit, sell, assemble and distribute their goods into the UK, Irish and European market. Resembling a trading post, the ITC will enable international companies to build relationships with European wholesale buyers who will use the facility for their purchasing needs. UK and European buyers will be able to place orders directly with companies in the ITC and have goods delivered either to the ITC or to their final destination. It is anticipated that some companies will choose to operate warehousing and assembly facilities close to the Trade Centre. The ITC will be open to tradespeople; not the general public.

It is intended that the ITC will form an initial part of the Wirral Waters project which, in turn, forms part of the Ocean Gateway project which stretches from Manchester to Liverpool along the line of the Manchester Ship Canal. At the western end of the Ocean Gateway are the two proposed high rise property developments, Liverpool Waters and Wirral Waters which focus on developing the Liverpool waterfront and surrounding the River Mersey docklands. The ITC site is adjacent to the proposed Wirral Waters development.

The Peel Group has formed a partnership with a Chinese company, Sam Wa International, to deliver the ITC. Significant effort has been made to secure clients for the Trade Centre among Chinese companies, including those in Shanghai, Beijing, Shenzhen, Suzhou and Jiang Yin. Relationships are now being built with Indian businesses based in Mumbai and Delhi.

It is proposed that the ITC will be based on a series of four buildings with a total floor space of 230,000 square metres (2,500,000 square feet). It will be constructed on land at West Float, Birkenhead. The first of the four buildings, Phase 1, will be 600,000 square feet in size and is expected to provide a base for up to 300 new overseas businesses. Each of the four buildings will be split over two floors. Each building will comprise individual trade showroom units, serviced offices, conference suites, a management suite and an exhibition space, as well as cafés and restaurants.

The ITC will include a dedicated management team who will manage the on-going running and maintenance of the building as well as other aspects such as security and cleaning. The management team will also provide dedicated marketing expertise which will aim to raise awareness of the ITC in the UK and Europe. It is intended that tenants of the ITC will bring both a good track record in business plus high quality products. These criteria will result in obtaining good tenants with the right products. There will also be a good mix of products which will cover all sectors and business lines including but not restricted to electrical items, textiles & clothing, kitchenware, furniture, fixtures, fittings and building materials.

Construction of Phase 1 of the development has already started with ground remediation works. The indicative timetable for the remainder of the project is:

- 2012 Talking to prospective tenants and securing tenants
- Oct – Dec 2012 Reserved matters planning application
- Feb 2012 – Jan 2013 Decontamination of Phases 1 and 2 land
- Spring 2013 – Spring 2014 Construction
- Spring 2014 Open for business

5.2 Budget and organisational Issues

Panel Members are aware of the extreme financial conditions which currently face the Council and understand that budget savings must be made, leading to some difficult decisions. However, this does not mean that equal savings should be made across all departments and service areas. There is no doubt that the International Trade Centre provides Wirral with an enormous opportunity. As well as welcoming many overseas companies to the Borough, there is the possibility of over 2000 jobs being created for UK-based employees. Furthermore, there is the prospect that the ITC could provide the impetus for further investment and job creation in the longer term through the Wirral Waters project. Wirral currently has the lowest job density ratio in the Liverpool City Region with 57 jobs per 100 residents. Job creation is also pivotal in the delivery of some other Council priorities such as the Child Poverty Strategy. It is, therefore, in the Council's interests that the ITC becomes a huge success. The Council's Corporate Plan for 2012/13 has already established the following as priority areas for 'The Economy' in Wirral:

"We will position Wirral as a leading vibrant global location for businesses and visitors. We will continue to support international trade links and develop our relationships with the private sector, to maximise inward investment and enable Wirral businesses to access new markets, sectors and opportunities, including those available locally".

"We will work hard to deliver all of the opportunities presented by the Wirral Waters Development".

Indeed, in his Foreword and Vision section of the Corporate Plan, the Leader of the Council, Cllr Phil Davies, identifies five of the Administration's immediate policy priorities. One of these is "Creating and safeguarding jobs and attracting new investment". The Panel Members have, therefore, concluded that the success of the ITC should be considered to be a high priority for the Authority and that this should be reflected in the Council's budgetary process.

Recommendation 1 – The International Trade Centre as a Council priority

The International Trade Centre is recognised as a great opportunity for the Borough and consequently is a high priority for the Council. Despite the extreme financial conditions faced by the Authority, the preparations for the Trade Centre should be reflected as a high priority within the Council's budgetary process.

Throughout this Scrutiny Review, Panel Members have been repeatedly told by external partners of the value placed on relationships with the Council. Several key officers and political figures have been the driving force for the Council during the development of the ITC project. Changes in key personnel at this late stage of the project should be viewed as high risk.

Recommendation 2 – Relationships

The Panel Members urge that strong consideration be given to ensure a consistent and relational-based approach is maintained with regard to the existing partners engaged in the ITC project.

This Report provides a view of the current position of the Council's part in the ITC project. However, the project is developing and requirements will change. It is, therefore, necessary that the Council is able to adapt to and support those changing requirements. Due to the high profile of the ITC project, the Panel Members propose that a member-led Working Group should be formed to support that process. The purpose of the Working Group is to initially monitor the progress of the recommendations from this Report but, in the longer term, to provide strategic leadership in the delivery of the ITC project from the Council's perspective.

Recommendation 3 – Creation of a member-led Working Group to oversee the delivery of the Trade Centre project

Due to the high profile of the International Trade Centre project, a member-led Working Group should be created to oversee the implementation of the recommendations from this Scrutiny Review and, in the longer term, the delivery of the ITC project from the Council's perspective.

The numbers of overseas employees and family members moving to Wirral is unknown at present. The working assumption is that there will be at least one overseas employee for each company operating from within the ITC. However, it will be necessary to know the numbers and types of businesses that are likely to be moving in order to commence detailed planning of requirements on a corporate level. Similarly, there is no information available yet regarding the type of individuals and families who will be arriving. As this is a completely new model for business in the UK, there is no previous experience on which to base any predictions. Such information is very important to enable planning, for example, of school places and of accommodation requirements. The availability of such information will have implications for the success of other recommendations detailed later in this Report, such as the availability of 'soft-landing' support for the newcomers to Wirral (see Recommendation 7). In return, as part of the planning process, there is also a need to provide information to the employees of overseas companies regarding key dates, for example, with the schools' admission process.

Recommendation 4 - The gathering of corporate and individual requirements from prospective tenants

As soon as tenants for the International Trade Centre have been recruited, Wirral Council and Peel Holdings should work together to determine the corporate and individual requirements of those who will be moving to Wirral. The resulting information will inform social needs, such as for housing and education, and will enable more detailed planning to take place.

As has been stated earlier, the emergence of the International Trade Centre will give the local economy a boost as well as raise the profile of Wirral on the global stage. The success of the ITC will be of national significance given the anticipated level of inward investment. One of the recent criticisms of the Council has been that we are not willing enough to celebrate success nor ambitious enough in our approach. The Council's Self Assessment for the Corporate Peer Challenge, to be held in October 2012, points out that "What is also clear is that the organisation is unnecessarily defensive and is short of confidence". In order to celebrate the anticipated opening of the Trade Centre, consideration should, therefore, be given to making this a real flagship event.

Recommendation 5 – Official opening of the International Trade Centre

The International Trade Centre will create the greatest concentration of foreign-owned businesses in the UK and will provide a major boost to the economy in Wirral and the Liverpool City Region. To mark an event of significance to the UK economy, consideration should be given to an invitation being made to a member of the Royal Family and / or a senior Government figure to open the Trade Centre.

5.3 Opportunities for existing Wirral businesses

The biggest advantage of the ITC for Wirral's businesses is that, as one witness told the Panel Members:

"Business people will be on your doorstep".

Indeed, Wirral businesses will be able to take space in the ITC if it is commercially effective for them to do so. As it is anticipated that there will be opportunity for Wirral companies to trade through the ITC, equally there will be some opportunities for service industries that will arise. Further work needs

to be done to identify those opportunities which may be suitable for Wirral businesses. Invest Wirral currently hosts networks for Wirral-based businesses, delivered via the BusinessWirral.com website. It is suggested that, once the new opportunities arising from the ITC are identified, these are discussed further within the Business Forums.

BusinessWirral.com may be the perfect portal to ask local businesses for expressions of interest in becoming a preferred partner for the ITC. It is understood that, due to competitiveness rules, the Council will have to supply a minimum of three names. Furthermore, if there are preferred partners in particular sectors, those businesses could be given the opportunity to undertake some cultural training to enable them to provide a better service to overseas visitors. Clearly, it would be important that quality control and vetting of suppliers is part of that process. As one witness told the Panel Members:

“An effective business relationship relies on respect and cultural awareness”.

As a result, it may be possible for workshops to be provided, aimed at business people, providing services such as car hire and hotels to help to overcome language and cultural barriers. There may be an opportunity for some of the local schools and community groups to become involved in providing such training.

Recommendation 6 – Provision of information regarding opportunities for existing Wirral businesses

The opportunities arising from the International Trade Centre for existing Wirral businesses can best be disseminated by use of the existing Wirral Business Forums, which are already coordinated by Invest Wirral on BusinessWirral.com. Consideration should be given to the creation of a preferred partners' list for the International Trade Centre. Wirral businesses could be given the opportunity to apply for 'preferred partner' status for a range of services from taxis to hotels. In return, appropriate training in language, cultural and business etiquette could be offered to such businesses.

5.4 Making Inward Investors welcome

Although it is likely that employees of companies moving to Wirral will have an understanding of the English language, it is also important that adequate information is available for the new arrivals. A relatively recent arrival to the UK explained:

“It would be good to have all the relevant information on daily life in our own language, available in a welcome pack or handbook. Most business people might be interested in pages on the Wirral Council website such as education and housing. More detailed translation would be good”.

Another citizen from overseas agreed that:

“The availability of help with daily things is very important. Initially, it would be helpful to have more support available in the native language, for example, Mandarin, as it is very tiring to speak constantly in a foreign language”.

The support needs for companies and their employees are likely to differ depending on individual needs. However, evidence emerged during the review of backing for the establishment of 'soft landing' support. The concept is based upon the provision of a single point of contact to assist employees in making arrangements, for example with accommodation and school requirements. As the requirements of individuals and their families will vary, for example, the size and age of a family, it is, therefore, important that the support provided is not on a "one size fits all" basis. It is likely that much of the support will result in sign-posting to relevant organisations. At this stage, the precise requirements are uncertain. Once companies have become established as tenants of the ITC, these requirements will become clearer and will enable further detailed planning to take place. Nevertheless, advice and sign-posting will be required both during the period of planning to move and post-relocation on issues ranging from education to housing to health. It is suggested that many of those support services already exist, some provided by organisations such as Wirral Multicultural

Organisation and Wirral Change. Sign-posting to those existing services will be part of the solution. When describing existing services for the BME communities, one witness told the Panel Members: “There is no need to re-invent the wheel”.

There may also be opportunities to make use of existing translation services which are present within community groups and schools. Indeed, it is understood that funding has been made available to create a hub for a multi-racial translation service. It is planned that, in two years’ time, there will be a hub set up to provide translation into 15 languages. The hub will include agencies such as Wirral Change, WMO, Irish Community Care Merseyside (ICCM), Wired and Advocacy in Wirral. In addition, there are language skills available in a number of local schools including Calday Grange Grammar School.

Central to a successful ‘soft-landing’ will be effective communication. Therefore, prior to moving, it will be important that information is shared from the host company in, for example, China. Equally, the ‘soft-landing’ team will also need to have good links within the Council and across other agencies in order to provide a coordinated service. Cultural understanding of the potential tenants will also be important. In summary, one witness concluded:

“There is a need for a friendly base camp here, where good information is available at the time of the first phone call”.

During the review, the example of driving licences was cited as an example where good advice will be necessary to counter cultural barriers. If someone is moving from outside the EU, they will need to change their driving licence within a year. This may necessitate driving lessons. In turn, this may provide opportunities for local businesses, as discussed earlier in Section 5.3. Access to the National Health Service is another example where additional advice will be required.

Recommendation 7 – ‘Soft-landing’ support

Consideration should be given to establishing a Council-led ‘soft-landing’ support team which will be available to those companies and employees relocating from overseas to Wirral. In due course, further to the determination of exact requirements, a report should be produced for Cabinet to explain the purpose and proposed delivery of the support. The required support is likely to provide sign-posting for issues such as:

- Accommodation
- Education and schools
- Health issues
- Information on NHS provision and medical insurance
- Preferred partners for insurance
- Police registration (for visa requirements)
- Point of contact with the ‘International Welcomer’ volunteers
- Recruitment of staff for the new companies
- Driving instruction
- Cultural advice and support
- General queries and advice

The increased business rates which will be available to Wirral Council as a result of Enterprise Zone status could be used to facilitate the ‘soft-landing’ support team. Such a team would be time limited based around the need to manage the significant influx of new residents and ensure they have the best possible start to their new life on the Wirral. All of our investigation points to the importance of relational-based support within eastern cultures.

In addition to the ‘soft-landing’ support, it is proposed that a detailed information pack is produced. It is understood that Peel is assembling an information pack which includes information such as schools and GPs. It is clearly important that Wirral Council does not duplicate the work that is already being undertaken by Peel. It appears that much useful information is already available but needs to be coordinated in a centralised form. As an example, there is already a significant amount of material available on the MEAS (Minority Ethnic Achievement Service) section of the Wirral Council website.

Although a limited amount of material may be required in hard copy, it is suggested that the main objective is to provide information on websites or available via download. During the Review, it was suggested that an App could be made available to describe the features of Wirral which would be most useful to those newcomers moving with the new companies. Although, an App called AroundMe is already available for iPhones, this provides information relevant to the user's location and allows the nearest facilities to be selected. Information is available on that App in different languages including Mandarin.

Recommendation 8 – Information Pack

An Information Pack will be produced. The Pack will provide practical information and will be available to newcomers and those planning to move to Wirral. The information should be available primarily via a website. Consideration should also be given to the development of a Wirral App from which relevant information could be downloaded. The Information Pack will be translated into major alternative languages, for example, Mandarin.

The point was made by several witnesses that the personal welcome from work colleagues and neighbours is very important. For newcomers to the UK, personal contact will be critical and it is, therefore, suggested that a team of volunteers could be assembled to show newcomers what it is like to be British by inviting them into their homes for a meal and escorting them on local visits. During this Scrutiny Review, discussion took place regarding the possibility of forming a group of UK-based volunteers, acting as cultural ambassadors, to showcase British food and culture. It is also important that the existing BME communities in Wirral, including the Chinese community, are given the opportunity to act as ambassadors and buddies to the new arrivals. It is possible that the organisation of that team could be led by an existing voluntary group(s). There appeared to be strong support, particularly among the voluntary and community sector, for the proposal to create an 'International Welcomer' team. In addition, it would be particularly advantageous for schools to become involved in the process. The recruitment of students / families of Wirral schools who teach languages such as Mandarin would be especially beneficial. This will enable those students to have the opportunity to improve their language skills at the same time as providing a valuable service.

Recommendation 9 – The 'International Welcomer' team of volunteers

An 'International Welcomer' team of volunteers should be created to provide new arrivals from overseas with British cultural experiences while showcasing Wirral. The volunteer team will enable new arrivals to be familiarised with British culture by inviting them into their homes for a meal and escorting them on local visits. The 'International Welcomer' team should include the recruitment of students / families of Wirral schools who teach languages such as Mandarin. This will enable those students to have the opportunity to improve their language skills at the same time as providing a valuable service.

It is understood that there is a probability that Birkenhead Town Hall will be set up as a headquarters for the marketing of the ITC project in Wirral. This will result in a lot of overseas visitors making use of this facility. This resource will give an opportunity to demonstrate Wirral's history, culture, schools, leisure facilities and so on to the many anticipated visitors. It is, therefore, important that the Council does all that is possible to ensure that a safe, clean and welcoming environment is maintained in Hamilton Square. This is one way in which the commitment of the Council to the ITC project can be clearly demonstrated.

Recommendation 10 – Birkenhead Town Hall and environs

As Birkenhead Town Hall is likely to be the base for Peel's marketing team in Wirral, it is important that steps are taken by Wirral Council to create a secure, safe and welcoming environment for the many overseas visitors who are likely to visit. This would be enhanced by the Council supporting the introduction of a 'Friends of Hamilton Square' Group.

5.5 ITC business support needs

Evidence gathered during the Review suggests that the majority of business needs of the ITC tenants will be met through Peel Holdings. A management team, provided by Peel, will be permanently situated within the ITC complex. This in-house Peel team will permanently manage the site and be available to talk to the tenants.

Invest Wirral already provide a highly regarded service to Wirral-based businesses. It is anticipated that any specific business support which is required from the Council will be provided through that channel. However, once further planning has taken place, a view will need to be taken on the capacity of the core team at Invest Wirral to take on any additional workload. In terms of the existing business network support provided by Invest Wirral, which is delivered via the BusinessWirral.com website, it is possible that the new companies will want to join networks in the most relevant business sector. The existing business forums include manufacturing; financial & professional business services; maritime & logistics, tourism & retail, construction, environmental and another for digital / creative. At this stage, it is not anticipated that a separate forum will be required specifically for those companies operating within the International Trade Centre.

It is recognised that overseas companies moving into the International Trade Centre will require assistance with the recruitment of additional UK-based employees. Again, once the specific requirements of prospective tenants are known, further work will be required to establish how best this support can be provided. However, an initial view is that this support could be made available through the 'soft-landing' support (see Recommendation 7) providing an advisory and coordination role with respect to recruitment.

Anecdotal evidence demonstrated that it is currently difficult for some business people to obtain a UK visa in China. Indeed, one of the witnesses had a four week delay before arriving in the UK due to visa complications. This issue has been recognised by Peel Holdings, who are putting arrangements in place to alleviate the problem with regard to the International Trade Centre. Panel Members have concluded that there are no further actions that can be taken by the Council at this stage to ease this problem. However, the process of registration at a police station, which is specified on some visas, can be a difficult process for some new arrivals. It is suggested that advice on this process is made available through the 'soft-landing' support (see Recommendation 7) and the Information Pack (see Recommendation 8) described elsewhere in the Report.

5.6 Marketing

In relation to the International Trade Centre, a web-based pack is already available providing information such as accommodation and transport. The information is also available in Mandarin. The equivalent information is available within Peel's brochure for the ITC. Wirral Council is responsible for providing the content relating to the Borough for both print and web-based marketing material. The intention is to market the whole of Wirral; not just the ITC. However, Wirral Council is not directly responsible for the marketing in China. Peel Holdings and Sam Wa International are responsible for the marketing exercise that is currently underway in China and elsewhere. Information is available on three different websites:

InvestWirral.com (Invest Wirral's inward investment site)

<http://www.investwirral.com/>

Peelez.co.uk (Peel's Wirral Waters Enterprise Zone site)

<http://www.peelez.co.uk/>

Peelitic.co.uk (Peel's ITC site)

<http://www.peelitic.co.uk/>

Sections of the peelitic.co.uk website are apparently available in Mandarin.

As stated earlier, it is intended that Birkenhead Town Hall is to be set up as a headquarters for the marketing of the project in Wirral. This will give an opportunity to demonstrate Wirral's history, culture and other facilities to the many overseas visitors who are expected to visit.

During the evidence-gathering stage of this Scrutiny Review, there was apparent excitement and enthusiasm for the ITC project. However, some concerns have been expressed regarding the potential impact that a sudden influx of migrants may have on the Borough. The Panel Members conclude that the International Trade Centre is a good news story. Nevertheless, it is important that the process is well planned and that the residents of Wirral are made fully aware of the benefits of the project to Wirral. It may be necessary to respond to accusations that "the Chinese are taking our jobs" with the true picture that the Chinese investment is creating new jobs. As the project develops, this can be achieved through greater presence of the ITC on the Council's website and in the local press.

Recommendation 11 – Awareness-raising of the benefits to Wirral of the International Trade Centre

The Council's Head of Communications and Community Engagement is requested to work closely with Peel Holdings in order to stress the positive aspects of the International Trade Centre for Wirral's residents.

5.7 Development of cultural links

The International Business Festival, which is being led by Liverpool, but of which Wirral is a partner will provide an opportunity to create a vision on both sides of the river. The festival, which is due to be held for a month in July 2014, will hopefully coincide approximately with the opening of the ITC. Although the Business Festival is not a cultural event in itself, it will, however, provide the opportunity for cultural events to run alongside and to promote cultural issues. This will be a great opportunity to showcase those communities to the rest of Wirral. As an example, it may be possible for dragon boat racing to be included as part of these events. Panel Members were informed that many schools in Wirral already celebrate such international festivals as Chinese New Year and Divali. There would appear to be a further opportunity to get schools and young people involved in the planning and execution of any events relating to the International Business Festival and the opening of the ITC. The evidence suggests that there would also be great enthusiasm from organisations such as Wirral Change and Wirral Multicultural Organisation to become involved in such events. Indeed, it would be a great opportunity to link with existing businesses owned by BME communities and other local communities.

Recommendation 12 – Events to celebrate cultural diversity

In order to celebrate Wirral's cultural diversity, both large and small-scale cultural events should be held in Wirral to coincide with the International Business Festival and to celebrate the opening of the International Trade Centre. The Council's Head of Communications and Community Engagement is requested to ensure that Wirral's BME communities, Neighbourhood Forums and young people, particularly through schools, play a central role in the planning of these events. The successful model of the community-based Big Lunches could be used to encourage cultural street parties throughout the Borough.

The meetings held during this Review revealed very low knowledge amongst those participants regarding the twinning arrangements that are in place with Wirral Council. However, it is perhaps the schools that take the lead with their own twinning arrangements, some of which twin with towns and cities in emerging market countries, such as China and India. Indeed, as part of a Connecting Classroom project, which is supported by the British Council, a group of Chinese headteachers are due to visit some Wirral schools later in the year. This is part of a reciprocal arrangement which included a visit by a group of teachers from Wirral to China. It is noted that the Connecting

Classrooms project is linked to a different region of China and not to Suzhou and Taicang, with whom Wirral Council signed an agreement as part of the preparations for the ITC.

There are organisations in Wirral that aim to respond to the needs of the black and minority ethnic communities. Among these groups are Wirral Change and Wirral Multicultural Organisation, who both provide a rich resource for the Borough. It is very much anticipated that these organisations will be well placed to provide some of the resource and support that will be required when the overseas employees arrive at the ITC. As the detailed planning for the 'soft-landing' takes place, as described in Section 5.4 above, it may well be that such community groups will be best placed to provide the required services. The Council will need to be clear on those requirements. While the work of Wirral Change focuses particularly on employment, work and training, it appears that there is some overlap in service provision, for example, with advice on health issues. During a meeting with Wirral Multicultural Organisation, one member described the organisation:

"WMO is a one stop shop for the BME community".

Meanwhile another added that:

"The WMO acts as a bridge to different communities"

From the Council's perspective, although there are a number of contracts in place with both organisations, the precise detail of all of those contracts was not clear to the Panel Members. The relationship between the Council and these organisations also did not appear to be on an outcome-based basis. It is, therefore, suggested that a review should take place to identify a clear understanding of the current contractual arrangements, explore the future requirements and create an environment where greater emphasis is placed on measurable outcomes of the services provided.

Recommendation 13 – Review of services provided by Wirral Multicultural Organisation and Wirral Change

The contribution of both Wirral Multicultural Organisation and Wirral Change to residents in Wirral is recognised and welcomed. However, further clarity regarding the expectations of both the Council and these partners relating to service provision and funding would be beneficial. Therefore, a full service review, including current contractual arrangements, should be undertaken. The review should lead to a greater emphasis on measurable outcomes for the services provided.

It is clear that there are many volunteering opportunities available in Wirral, often providing services to the BME communities. As has been stated previously, the family circumstances of those employees moving from overseas are currently uncertain. However, anecdotal evidence was found that as visa requirements may prevent family members from working, those additional family members may be a rich volunteering resource for community groups at the same time as preventing them from becoming isolated.

Recommendation 14 – Volunteering opportunities

Consideration should be given to ways of involving the family members of those newly-arrived overseas employees in the life of Wirral. This will involve the encouragement of volunteering among those family members in projects such as the MEAS (Minority Ethnic Achievement Service) Volunteering Scheme and opportunities with Wirral Multicultural Organisation, Wirral Change and the wider voluntary sector.

5.8 Language and education

There are different levels in order to be 'language-ready', ranging from an ability to do business through to total immersion in a language. As the lead investors are Chinese, it is fair to assume that, although not exclusively so, the initial wave of tenants in the ITC will include a proportion of Chinese

companies. Although employees arriving from China are likely to be English speakers, this may not necessarily be the case with family members. In addition, the ITC may provide job opportunities for Wirral people. The ability to communicate in Mandarin may well be a useful skill for future job seekers.

Teaching of Mandarin is already available across a number of educational establishments in Wirral. The language is already taught at Calday Grange Grammar School and Upton Hall School. The experience of Calday Grange Grammar School is of particular interest. Six foreign languages are currently included on the curriculum at Calday Grammar, including Mandarin, Russian and Spanish. An increasing proportion of students at the school are studying Chinese and Russian. This enables the students to develop an understanding of the economic shift that is taking place in the world. Since 2007, the school has been an accredited Advanced Confucius Classroom. Working in partnership with Hanban¹, the Confucius Classroom status supports the teaching of Mandarin in a growing number of schools and to a growing number of young people. Hanban funding provides placements to support these school activities and also provides opportunities for schools to enter language-based competitions. As part of this initiative, Calday aims to support other schools, organisations and community groups in language teaching and learning and the study of China. As a "Hub School", Calday supports five "Spoke Schools" across the North West of England. There are approximately 2500 schools hosting a Confucius Centre globally.

The Confucius Classroom status enables Calday Grammar to welcome visiting Hanban teachers each year. They work at Calday as well as visiting other schools and organisations in the wider community, supporting the teaching of Chinese language and culture. From the Year 11 cohort of 180, 40 pupils have studied Mandarin to GCSE Level in 2011/12. Students also have an opportunity to study Mandarin to 'A' Level standard at Calday Grange. The Hanban team also provides the resource to teach Mandarin in primary schools, aimed at children in Year 2 upwards. Chinese language, culture, arts and crafts are already taught in 25 primary schools in Wirral via this outreach arrangement. Although this excellent work is taking place, it appears that there is not a coordinated Borough-wide long-term plan to teach language and culture in primary schools. In addition to the teaching in schools, there are facilities available in Wirral for the teaching of Mandarin to adults, including Wirral Grammar School for Girls at Bebington and Wirral Multicultural Organisation. The Panel Members hope that the ITC project will enable the further use of the facilities and talent that already exists in Wirral.

In the future, it is possible that the increasing use of the English Baccalaureate will lead to more teaching of languages as the Baccalaureate requires an A*-C in a foreign language. However, in the past, changing the curriculum has not happened quickly. It is, therefore, unlikely that additional languages will be taught across most schools in the short-term. In addition, evidence emerged that not many teachers are being trained in alternative languages. There is, therefore, a shortage of emerging-market language teachers and also a perceived shortage of teaching resources for these languages, for example, books.

There is a common school admission policy for all children, regardless of whether they are moving from abroad. The current process is lengthy, for example, the closing date for secondary school admissions in September 2013 is 31st October 2012. Long-term planning is a necessity. It will, therefore, be necessary to address issues relating to the timing and the length of the schools' admission process when employees and their families may arrive at relatively short notice.

It is likely that schools are not yet widely aware of the International Trade Centre and the implications for education. As an example, the business needs of companies operating in the ITC will create new jobs, which may require some new skills including language skills. Information is provided to potential sixth form students regarding priorities and opportunities at post-16. It is possible that information regarding the ITC could be included in that process. In the future, it is possible that the ITC could make those schools which include Mandarin on their curriculum appear more attractive to some

¹ Hanban is an abbreviation for Chinese National Office for teaching Chinese as a Foreign Language. Hanban supports the Confucius Institute program, of which Calday Grange Grammar School is a part.

students and their parents. It is, therefore, suggested that an awareness process takes place with the schools in the Borough.

Recommendation 15 – The awareness of the International Trade Centre within schools

The Director of Children and Young People’s Department is requested to raise awareness of the International Trade Centre with headteachers and school governors regarding:

- The possibility of a number of new students arriving throughout the academic year;
- New job opportunities which may arise in Wirral, particularly for those with the right skills, including relevant language knowledge. Consideration should be given to ensuring that required skills for jobs in the ITC influence the development of the curriculum;
- Opportunities for schools to get involved in the cultural events being planned to coincide with the International Business Festival and the opening of the International Trade Centre. (see Recommendation 12)

If family members arrive in Wirral with little English-language knowledge, it should be the case that existing services will be in place to support those families and children. The MEAS service (Minority Ethnic Achievement Service) is a well-established service in Wirral, being part of the Council’s Children and Young People’s Department. Some of the major services provided by MEAS include:

- Assessment of newly arrived pupils. The level of English is assessed and schools given advice.
- Helping schools to build capacity to cope with EAL students themselves (English as an Additional Language).
- Identify and fund hub schools where there is good practice. These hub schools act as mentors to other schools in helping to develop and roll-out effective policies.
- Identify training needs for all schools and run a training programme.

The number of EAL (English as an Additional Language) children in Wirral is shown below providing splits by district and between secondary, primary and special schools:

Table 1 : The number of EAL (English as an Additional language) children in Wirral (as at January 2012)

| <i>EAL Numbers</i> | | |
|-------------------------------|--------------|-------------|
| <i>Wirral Jan 2012 census</i> | | |
| | | |
| Birkenhead | primary | 360 |
| | secondary | 76 |
| | special | |
| | total | 456 |
| Wallasey | primary | 190 |
| | secondary | 105 |
| | special | 4 |
| | total | 299 |
| West Wirral | primary | 124 |
| | secondary | 127 |
| | special | 5 |
| | total | 256 |
| South Wirral | primary | 93 |
| | secondary | 145 |
| | special | 2 |
| | total | 240 |
| | | |
| all areas | total | 1251 |

Source: MEAS Team, Children and Young People Department, Wirral Borough Council

MEAS tries to promote cultural understanding across schools, with work taking place on multicultural activities in schools. The MEAS team currently includes two Bangladeshi members of staff. There are also Cantonese and Polish members of staff who are employed for one day per week. In addition, working in partnership with Wirral Multicultural Organisation (WMO), bilingual volunteers are recruited and trained to work with schools. There are currently approximately 20 volunteers working in schools. One volunteer at Rock Ferry Primary School has taught Mandarin to Year 1 and Year 2 children. There could be a potential for attracting new volunteers as a result of the arrival of newcomers arriving associated with the Trade Centre.

The MEAS team was formerly funded by Direct Government Grant to the Council. However, the grant is now allocated directly to schools who have, in the past, agreed to “keep it as a central pot” with which to fund the MEAS team. A review has recently taken place regarding the future requirements of schools. The primary schools have so far agreed to continue to fund a central MEAS team within the Council. The requirements of secondary schools are, at present, not clear. Final decisions will be made in January 2013.

In the future, the increasing presence of academies means that there is less certainty over the funding of Council services such as those provided by the MEAS team. It will be imperative that the MEAS team is able to demonstrate its worth to the schools across the Borough to guarantee continued support from as many schools as possible in order to maintain the funding.

Recommendation 16 – Awareness of the Council’s Minority Ethnic Achievement Service (MEAS)

The Director of Children and Young People’s Department is requested to ensure that all schools are made fully aware of the potential increase in the number of children from overseas arriving in Wirral and the potential impact on the Council’s Minority Ethnic Achievement Service (MEAS). The Schools Forum may be a helpful mechanism.

5.9 Council Officers’ / Members’ cultural awareness and training

Some aspects of Chinese culture became apparent during this Review. The Panel Members were informed by a witness of Chinese origin that:

“Chinese culture is very much status-orientated and hierarchical. Therefore, Chinese business people will feel that it is important to meet the most senior people. Chinese business people will appreciate friendly, hospitable guests. Business relationships are more likely to be successful if you are liked and respected. There is a process of relationship building and a need to get to know each other.”

Indeed, it was noted following the visit to Calday Grange Grammar School that, for the newly arrived Hanban teachers, an introduction to the school Headteacher is a sign of respect to the visitor and greatly appreciated. It is therefore, important that note is taken of this and many other cultural differences. As an example, cultural differences may give rise to differing views on timescales and ways of working. Council officers should do what they can to understand and respond positively to such challenges. It is important that potential inward investors are shown priority and, therefore, unnecessary bureaucracy should be avoided wherever possible.

During this Review, it has been made clear that those UK citizens associated with the ITC project who have visited China have been made to feel extremely welcome. It is important that visiting delegations from China and other countries are made to feel equally welcome. This is of particular relevance to the Council when delegations are visiting municipal buildings, such as Wallasey Town Hall. Relatively small measures, such as a welcome in the language of the visitors can make a difference. There may also be an opportunity to involve schools in providing cultural displays during some of these visits.

Recommendation 17 – A warm welcome in Wirral

Delegations from overseas must be made to feel welcome in Wirral and especially at Council buildings including Wallasey Town Hall. An appropriate visible welcome should be provided including cultural displays which may present the opportunity for school involvement.

During this Scrutiny Review, the Panel Members had the opportunity to meet with Lindsey Ashworth and Kevin Adderley in an informal environment. During that meeting, the background to the ITC project and the vision for the future were explained. Panel Members found the meeting with Lindsey Ashworth both interesting and inspiring. It would be helpful if more members of the Council were able to have a similar opportunity.

Recommendation 18 – Members' meetings with Lindsey Ashworth

Opportunities should be explored to give all Council members the opportunity to meet and discuss relevant issues with the Development Director of Peel Holding, Lindsey Ashworth.

In order to further raise the profile of the International Trade Centre among members and within the Council as a whole, it is suggested that an ITC Champion should be appointed. The success of the ITC project could lead to enormous benefits for the Borough. The appointment of an ITC Champion would give added impetus within the Council to help plan for the project and to ensure its eventual success.

Recommendation 19 – Appointment of an ITC Champion

Wirral Council should appoint an ITC Champion to help increase the profile of the International Trade Centre within the Council and to help plan for the Council's involvement in the successful delivery of the project.

This Report was produced by the Trade Centre Scrutiny Panel (which reports to The Economy & Regeneration Overview & Scrutiny Committee)

Appendix 1: Scope Document for the Trade Centre Scrutiny Review

Date: 12th June 2012

Review Title: Trade Centre Scrutiny Review

| | |
|---|-----------------------------------|
| Scrutiny Panel Chair: Cllr Mark Johnston | Contact details: |
| Additional Panel members: Cllr Andrew Hodson Cllr Jean Stapleton | Contact details: |
| Scrutiny Officer: Alan Veitch | Contact details: 0151 691 8564 |
| Departmental Link Officer: Kevin Adderley | Contact details: 0151 691 8187 |
| Other Key Officer contacts: | |
| 1. Which of our strategic corporate objectives does this topic address? 1.1 Market Wirral as a world class location for businesses and visitors. 1.2 Make Wirral Council one of the most business friendly and supportive Councils in the country. 1.3 Rebalance Wirral's economy and improve access to employment and skills opportunities and tackle barriers to work. 1.4 Develop wider public sector partnerships for the improvement of services to Wirral residents. | |

2. What are the main issues?

The aim of the Scrutiny Review is to ensure that Wirral is as ready as possible to fully embrace the business opportunities that will be available as a result of the development of the International Trade Centre. Issues within the scope of the review relate to:

2.1 Wirral Businesses - What is the provision of local services available to Wirral firms as they prepare to trade with new companies and emerging markets?

- a. Import and export advice.
- b. VAT, excise duties and taxation issues.
- c. Contractual & legal advice.
- d. Shipping.
- e. Trading Standards / Safety Standards and Licensing issues.
- f. Language support.
- g. Business and cultural awareness.

2.2 Making Inward Investors welcome.

- a. Visa requirements
- b. Support services ready to meet cultural and language requirements, i.e. Hotels, car hire.
- c. Translation services.
- d. Legal support.
- e. Banking and money transfer services.
- f. Accommodation
- g. General advice – business, transport, schooling.

2.3 ITC business support needs

- a. What skills / support structures required by emerging market companies?
- b. What are the gaps?
- c. How can the Council and partners meet needs?

2.4 Marketing - How is the ITC to be marketed and what role can the Council play?

2.5 Development of cultural links.

- a. What resources exist because of Wirral's ethnic community and how can they be encouraged to engage?
- b. How can the Twin City relationships be promoted and celebrated?
- c. How can the wider Wirral community be encouraged to understand and embrace the emerging market cultures?

2.6 Language & Education

- a. Translation Services.
- b. English lessons.
- c. Cultural and language training for key service industries.
- d. School promotion of languages and cultures.

2.7 Council Officers / Members cultural awareness and training.

| | | | | | | | | | | | | | | | | | | |
|---|---------------|--------------------------|--------------------------|--------------------|--------------------------|--------------------------|----------------------|--|--------------------------|------------------------|--|--------------------------|------------------------------|--|--------------------------|--|--|--|
| <p>3. The Committee's overall aim/objective in doing this work is: Council agreed a motion on 16th April 2012 which included: “Council calls on the three Parties to agree membership for a 1:1:1 Member Working Party, reporting to the Economy and Regeneration OSC. This working Party will scope a project leading to recommendations to ensure this Council and its partners are Trade Centre ready and able to embrace all opportunities for development through its growing links with China and other countries and that potential barriers to businesses and investors are identified and recommendations made as to how these can be overcome”.</p> | | | | | | | | | | | | | | | | | | |
| <p>4. The possible outputs/outcomes are: 4.1 To help the communities of Wirral to engage effectively with the opportunities provided by the Trade Centre development</p> | | | | | | | | | | | | | | | | | | |
| <p>5. What specific value can scrutiny add to this topic? Further scrutiny will aim to establish how Wirral Council can play its part in ensuring that any remaining potential barriers to businesses, within the remit of the Council, are identified and corrected in advance of the Trade Centre being developed.</p> | | | | | | | | | | | | | | | | | | |
| <p>6. Who will the Committee be trying to influence as part of its work? 6.1 Appropriate Cabinet members and Directors, Wirral Borough Council. 6.2 Partners of the Council who have an interest in the successful delivery of the Trade Centre.</p> | | | | | | | | | | | | | | | | | | |
| <p>7. Duration of enquiry? Council agreed a motion on 16th April 2012 which included: Council requests that the Working party completes this work in time to enable any recommendations to be implemented before the ITC is built and opens for business and so that recommendations have enough time to be considered for the setting of the 2013/14 budget, as appropriate”. Therefore, the Report is due before the end of 2012. (The Economy and Regeneration Overview and Scrutiny Committee is scheduled to meet on 14th November 2012 and 16th January 2013).</p> | | | | | | | | | | | | | | | | | | |
| <p>8. What category does the review fall into?</p> <table border="0"> <tr> <td>Policy Review</td> <td>x</td> <td><input type="checkbox"/></td> <td>Policy Development</td> <td>x</td> <td><input type="checkbox"/></td> </tr> <tr> <td>External Partnership</td> <td></td> <td><input type="checkbox"/></td> <td>Performance Management</td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Holding Executive to Account</td> <td></td> <td><input type="checkbox"/></td> <td></td> <td></td> <td></td> </tr> </table> | Policy Review | x | <input type="checkbox"/> | Policy Development | x | <input type="checkbox"/> | External Partnership | | <input type="checkbox"/> | Performance Management | | <input type="checkbox"/> | Holding Executive to Account | | <input type="checkbox"/> | | | |
| Policy Review | x | <input type="checkbox"/> | Policy Development | x | <input type="checkbox"/> | | | | | | | | | | | | | |
| External Partnership | | <input type="checkbox"/> | Performance Management | | <input type="checkbox"/> | | | | | | | | | | | | | |
| Holding Executive to Account | | <input type="checkbox"/> | | | | | | | | | | | | | | | | |
| <p>9. Extra resources needed? Would the investigation benefit from the co-operation of an expert witness? The review will be conducted by councillors with the support of existing officers. However, the panel are looking for advice from people with expertise on this topic.</p> | | | | | | | | | | | | | | | | | | |

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|---|---|
| 10. What information do we need? | |
| <p>10.1 Secondary information (background information, existing reports, legislation, central government documents, etc).</p> <p>Recent Committee / Cabinet reports</p> <p>Relevant national documents</p> <p>Any relevant briefing papers</p> <p>Reports from other Councils regarding inward investment</p> <p>Examples of good practice from other Councils</p> | <p>10.2 Primary/new evidence/information</p> <p>Interviews with key officers</p> <p>Interviews with representatives of the business community</p> <p>Interviews with representatives of the voluntary and community sector</p> |
| <p>10.3 Who can provide us with further relevant evidence? (Cabinet portfolio holder, officer, service user, general public, expert witness, etc).</p> <p>Several meetings will be held including:</p> <p>Kevin Adderley, Director of Regeneration, Housing and Planning, Wirral Borough Council</p> <p>Lindsey Ashworth, Development Director, Peel</p> <p>Representatives of the business community</p> <p>Invest Wirral, Wirral Borough Council</p> <p>Emma Degg, Head of Communications and Community Engagement, Wirral Borough Council – to discuss marketing issues</p> <p>David Armstrong, Acting Director of Children’s Services, Wirral Borough Council – to discuss language and cultural issues in schools</p> <p>Confucius Centre, Calday Grange Grammar School (and other schools)</p> <p>Wirral Multicultural Organisation</p> <p>Billy Hui, Wirral Chinese Association and other representatives of voluntary and community sector</p> <p>Plus others.....</p> | <p>10.4 What specific areas do we want them to cover when they give evidence?</p> <p>The issues identified in section 2 of this scope document.</p> |

11. What processes can we use to feed into the review? (site visits/observations, face-to-face questioning, telephone survey, written questionnaire, etc).

11.1 Meetings with officers, representatives of the business community and of the voluntary and community sector

11.2 Desk-top analysis

12. In what ways can we involve the public and at what stages? (consider whole range of consultative mechanisms, local committees and local ward mechanisms).

12.1 Discussions will be held with relevant voluntary and community organisations.

PLANNING COMMITTEE 26 JULY 2012

72 ADOPTION OF THE OXTON CONSERVATION AREA MANAGEMENT PLAN.

The Director of Regeneration, Housing and Planning informed Members of the completion of the Conservation Area Management Plan for the Oxton Conservation Area. Wirral Council has prepared the Management plan in partnership with The Oxton Society.

Members were advised that the Authority has a statutory duty to protect and enhance the character of conservation areas and to preserve its listed buildings in accordance with National Guidance contained in the National Planning Policy Framework (NPPF) and other guidance. The Committee were informed that in order to meet those obligations, we need to develop policies which identify clearly what features of the area should be preserved or enhanced and set out how this can be done. Character appraisals provide a clear assessment and definition of an area's particular interest and management plans set out the action needed to protect it. Within this, the most important policy is a presumption against the loss of elements which have been identified in the character appraisal as making a positive contribution to the special interest for which the area was designated. Members were further advised that the Management Plan and Character Appraisal documents for Oxton will eventually sit alongside the conservation policies contained within the Local Development Framework.

On a motion by Councillor Kelly and seconded by Councillor Foulkes it was:

Resolved (10:0) That Members approve the adoption of the Management Plan as a material reference in planning and conservation matters, and that this report is referred to Cabinet for approval.

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WIRRAL COUNCIL

PLANNING COMMITTEE

26 July 2012

| | |
|--------------------------------------|---|
| SUBJECT: | ADOPTION OF THE OXTON CONSERVATION AREA MANAGEMENT PLAN. |
| WARD/S AFFECTED: | OXTON |
| REPORT OF: | DIRECTOR OF REGENERATION, HOUSING & PLANNING |
| RESPONSIBLE PORTFOLIO HOLDER: | COUNCILLOR PAT HACKETT |
| KEY DECISION? | NO |

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to inform Members of the completion of the Conservation Area Management Plan for the Oxtton Conservation Area. Wirral Council has prepared the Management plan in partnership with The Oxtton Society.
- 1.2 The Authority has a statutory duty to protect and enhance the character of conservation areas and to preserve its listed buildings in accordance with National Guidance contained in the National Planning Policy Framework (NPPF) and other guidance. In order to meet those obligations, we need to develop policies which identify clearly what features of the area should be preserved or enhanced and set out how this can be done. Character appraisals provide a clear assessment and definition of an area's particular interest and management plans set out the action needed to protect it. Within this, the most important policy is a presumption against the loss of elements which have been identified in the character appraisal as making a positive contribution to the special interest for which the area was designated. The Management Plan and Character Appraisal documents for Oxtton will eventually sit alongside the conservation policies contained within the Local Development Framework.

2.0 RECOMMENDATIONS

- 2.1 For Members to approve the adoption of the Management Plan as a material reference in planning and conservation matters, and that this report is referred to Cabinet for approval.

3.0 BACKGROUND

- 3.1 Oxton Conservation Area was designated in 1979, and the designation has been instrumental in preserving the historic buildings within its boundary. However, policies over and above the Council's Unitary Development Plan (UDP) and general planning policies are required in order to promote the enhancement and conservation of particular features that are under threat.
- 3.2 The Oxton Conservation Area Appraisal was adopted by Wirral Council in 2010. The recommended boundary amendments were the subject of a further Committee Report, adopted in July 2011. The next stage of the process of affording protection for the built heritage of Oxton is the formal adoption of the Management Plan.
- 3.3 The use of such plans is set out in the Government's publication, "Guidance on the Management of Conservation Areas" and "Valuing Places: Good Practice in Conservation Areas". The Management Plan itself reflects the contents of the Oxton Conservation Area Appraisal, which sets out the special character of Oxton, the threats to it and the opportunities for enhancement in the longer term.
- 3.4 The format of the Plan has been based on similar plans already adopted for other conservation areas in Wirral, broadened here in order to take account of the complexity of the Oxton CA and its circumstances. Both the material and structure of the Plan reflects the content of discussions with the Oxton Society over the past two years.
- 3.5 The Oxton Society cannot represent everybody within the designated area, but enjoys a substantial local membership and has a constructive relationship with the Local Authority. After recommending a series of amendments to the text, the Society has written to the Authority and has offered its support for the adoption of the Plan.
- 3.6 The partnership with the Oxton Society and the wider community is crucial if the objectives of the Plan are to be achieved. If the environment of Oxton is to be maintained and enhanced, it will require the commitment, co-operation and support of all residents.
- 3.7 In terms of planning controls, the Management Plan sets out the criteria against which all development and all proposals affecting the historic environment should be considered by the Authority. The document must be consulted alongside other local and national planning and conservation guidance. This Plan does not introduce any additional planning controls - it merely offers some more specific advice on how the present controls can be employed more effectively.
- 3.8 The impetus to the adoption of the Management Plan has been the extension of the Conservation Area in line with the recommendations contained within the Character Appraisal, this being successfully concluded in summer 2011. It made sense to defer the compilation of the Management Plan until the Area had been formally extended.

4.0 THE OXTON CONSERVATION AREA AND ITS MANAGEMENT

- 4.1 The built heritage of Oxton is extraordinarily diverse, ranging from pre-industrial cottages to polite Edwardian developments, commercial businesses and post-war housing. In and amongst these developments lie a variety of curious and irregular spaces, landscaping, trees, roads and alleyways.
- 4.2 Each aspect of the area's character needs to be protected. The appraisal sets out the contribution of each type of asset within Oxton and the Management Plan gives an indication of how this should be enhanced and protected. The aim of the guidance is to:
- (i) encourage all Council departments and associated organisations and the local community to work in tandem to help realise conservation objectives.
 - (ii) provide guidance to home and business owners on how policies might be developed and implemented to support successful conservation - through conscientious design, choice of materials and constructional elements, landscaping, archaeology, and an improved public realm.
- 4.3 In terms of alteration and loss of features, an Article 4 Direction would help to strengthen controls. Until a Direction has been adopted, it should be possible to promote the retention of more features through education and the use of planning enforcement under existing powers. For example, planning permission is required in advance of making material alterations such as changes to windows and doors on non-dwelling houses, i.e. flats or commercial premises etc. Similarly, Conservation Area Consent is required for the removal of more than 50% of a front boundary wall, occasionally taken down in order to create off-road parking to the great detriment of the street scene.

5.0 PUBLIC CONSULTATION

- 5.1 The contents of the Management Plan have been publicised on the Council's website since December 2011, with an advertisement placed in the local paper in early Spring 2012. No adverse comments have been received. A public notice was placed in a local paper in February 2012 and this has not solicited any comments. There are few practical implications of the Plan for residents, the approach being centred on future curatorial policy for a variety of agencies and groups.
- 5.2 The Oxton Society has responded with a written submission supporting the adoption of the Management Plan, and has made some recommendations regarding a slight re-drafting of some sections - this has been carried out in line with their wishes. One of the Society's principal comments was to highlight the importance of the Area's sandstone walls in creating a harmonious and traditional street scene, and of the need to address these features specifically rather than simply grouping them in with the assemblage of historic building features within each property.

6.0 POLICY IMPLICATIONS

6.1 The NPFF sets out the Government's objectives for the historic environment and the reasons for its conservation. This document is integral to plan making and is an important material consideration, alongside adopted local planning policies, when assessing development that will affect a heritage asset, including conservation areas.

6.2 Local policies including Wirral's UDP Policy CH01: The Protection of Heritage, CH2: Development Affecting Conservation Areas, Policy CH3 Demolition Control with Conservation Areas and Policy CH7 Oxtown Village Conservation Area, will be reinforced by the Management Plan.

6.3 Section 71 of the Planning (Listed Buildings and Conservation Areas) Act 1990 states that it shall be the duty of a Local Planning Authority "from time to time to formulate and publish proposals for the preservation and enhancement of any parts of their area which are Conservation Areas." It is considered appropriate to introduce the Management Plan in order to improve opportunities for enhancement and preservation within the designated area.

6.4 Section 72 of the Act states that, "In the exercise, with respect to any buildings or other land in a Conservation Area, of any functions under or by virtue of any of the provisions mentioned in subsection, special attention shall be paid to the desirability of preserving or enhancing the character or appearance of that area." The Management Plan provides guidance on precisely how this might be achieved.

6.5 English Heritage's "Understanding Place: Conservation Area Designation, Appraisal and Management" (2011) provides a comprehensive discussion on the benefits of good practice in Conservation Areas. The production of the Plan is in accordance with this guidance.

7.0 FINANCIAL AND STAFFING IMPLICATIONS

7.1 The Plan has already been produced and would remain in force until it was edited, re-written or withdrawn. There are no further staffing implications.

8.0 EQUAL OPPORTUNITY IMPLICATIONS / EQUALITY IMPACT ASSESSMENT

8.1 There are no implications arising directly from this report under this heading.

9.0 HEALTH IMPLICATIONS / IMPACT ASSESSMENT

9.1 There are no implications arising directly from this report under this heading.

10.0 COMMUNITY SAFETY AND LOCAL AGENDA 21 IMPLICATIONS

10.1 There are no implications arising directly from this report under this heading

11.0 ANTI-POVERTY IMPLICATIONS

11.1 There are no implications arising directly from this report under this heading

12.0 SOCIAL INCLUSION AND HUMAN RIGHTS IMPLICATIONS

12.1 There are no implications arising directly from this report under this heading

13.0 LOCAL MEMBER SUPPORT IMPLICATIONS

13.1 This document will be of interest to Ward Members for Oxton and the Members assigned to the Oxton Conservation Area.

14.0 BACKGROUND PAPERS

- Conservation Area Appraisal for Oxton Conservation Area (2010)
- English Heritage Guidance on the Management of Conservation Areas (2006)
- National Planning Policy Framework (March 2012)

Kevin Adderley

Director of Regeneration, Housing and Planning

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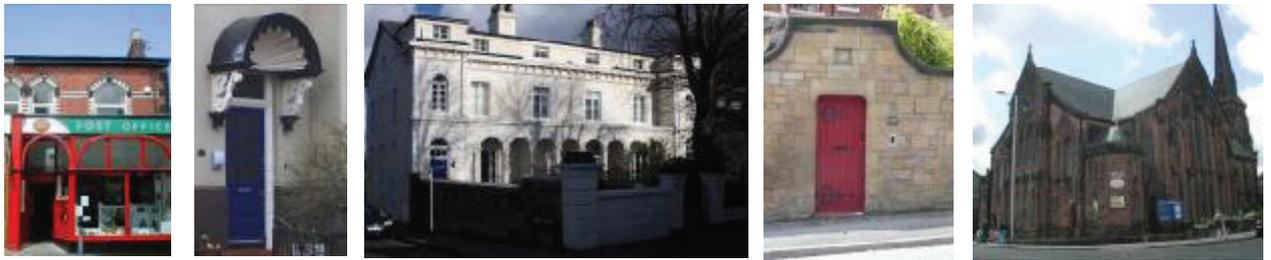
REFERENCE MATERIAL

Oxton Village Conservation Area Appraisal:
<http://www.wirral.gov.uk/my-services/environment-and-planning/builtconservation/conservation-areas/oxton-village>

Draft Management Plan, here attached.

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---|-----------------------|
| Planning Committee (item 60): Proposed Adoption of the Oxton Conservation Area Appraisal - ADOPTED | 10 August 2010 |



OXTON VILLAGE CONSERVATION AREA MANAGEMENT PLAN

Prepared by Wirral Council in conjunction with The Oxtton Society
Final version 2012-07

SECTION 2 – CONSERVATION AREA MANAGEMENT PLAN

- 1.0 BACKGROUND TO THE STUDY**
- 2.0 ROLE OF THE MANAGEMENT PLAN AND IMPLEMENTATION**
- 3.0 SUMMARY OF SPECIAL INTEREST**
- 4.0 THE PLANNING POLICY CONTEXT**
- 5.0 ISSUES, POLICIES AND RECOMMENDED ACTIONS**
- 6.0 ARTICLE 4 DIRECTIONS**

APPENDICES

- A Map A showing existing conservation area boundary outlined in red**
- Map B showing locations of Listed Buildings**
- Map C showing locations of Study zones**
- Map D showing contributions of Boundary Walls**
- Map E showing contribution of trees to the street scene**
- Map F showing building contributions to the Conservation Area**
- Map G showing proposed extensions to the Conservation Area**

PREFACE

1 Background to the Study

This management plan has been prepared by Wirral Council in partnership with The Oxton Society. It follows on from the Conservation Area Appraisal prepared by Donald Insall Associates, adopted by the Council in 2010, and the boundary changes therein recommended. The Society has provided much information and support to the local authority and the content of this document is partly a reflection of that process.

2 Role of the Management Plan and Implementation

The plan is underpinned by the appraisal, which provides the evidence-base and analysis to support the recommended policies and actions in the following sections. The appraisal document, in addition to identifying the special character of Oxton Village highlights some threats and challenges to its survival - some real, others potential. It is in part the purpose of the management plan to help create a culture of co-operative working between the local authority and partner organisations, in part by fostering an appreciation of Oxton's heritage and the demands that its appropriate conservation places on all organisations, public and private.

The aim of the guidance is to:

- (i) encourage the need for all Council departments and associated organisations, e.g. statutory undertakers to work in tandem to help realise conservation objectives.
- (ii) to provide guidance to home- and business owners on how policies might be developed and implemented to support successful conservation.
- (iii) encourage the need for further research and investigations to be undertaken to support specific needs, e.g. traffic management.

This guidance is based in part on the English Heritage publication "Guidance on the Management of Conservation Areas", published in 2006, and its follow-up document, "Valuing Places: Good Practice in Conservation Areas".

3 Summary of Special Interest

The special interest of Oxton Conservation Area is not easy to summarise as it contains a surprising degree of variety within a compact urban area. This is reflected later in this analysis by the use of smaller 'character

zones' within the whole CA.

The key elements of this special interest may be summarised as follows:

- Variety within a limited range of building development forms
- Sense of seclusion from the greater urban area of Birkenhead
- General high quality of buildings and structures
- unifying effect of historic sandstone walls which bind together a diverse range of building types.
- Heavy tree canopy providing green-ness and a good air quality
- Generally small scale but unexpected large mature dwellings
- A rural remnant
- Openness towards the edges, but compactness in the middle
- A largely intact early – mid 19th C idyll

4 The Planning Policy Context

Since the 1967 Civic Amenities Act local authorities have been empowered to designate as Conservation Areas those areas within their districts which were considered 'special'. The subsequent Planning (Listed Buildings and Conservation Areas) Act of 1990 consolidated those powers and defined Conservation Areas as:-

"areas of special architectural or historic interest the character or appearance of which it is desirable to preserve or enhance".

Such areas are diverse. They may be large or small; residential or commercial; civic or industrial; old or relatively modern. They may represent social ideals or civic pride. They may be specifically designed or speculatively produced; modest or grand. They may contain Listed Buildings of architectural or historic interest or may simply have local historic association. However, common to all will be an identifiable environmental quality that should be protected from unsympathetic redevelopment or alteration.

Wirral Council has designated 25 Conservation Areas throughout the Borough reflecting the variety of building styles and environments exhibited within its borders.

The content of the Planning (Listed Buildings and Conservation Areas) Act 1990 is clarified by national Planning Policy Statement 5 (PPS5): Planning and the Historic Environment. This document places a distinct emphasis on significance, now given equal prominence to considerations of character, to which latter characteristic the legislation still principally refers. PPS5 contains a new emphasis on local distinctiveness and undesignated assets, such as unscheduled

archaeology, landscapes and artistic values, and replaces former PPGs 15&16.

The principles of these documents are further supported by Wirral Council's local Heritage Conservation policies contained within its adopted Unitary Development Plan (February 2000).

Forthcoming LDF

Wirral Borough Council will progressively replace the adopted UDP with the Local Development Framework (LDF) for the Borough. The LDF Core Strategy is at an advanced stage of preparation and sets out the Council's long-term planning and development priorities. Following its adoption a series of more detailed documents will set out the local and site specific implications.

The emerging Core Strategy has identified the protection of local distinctiveness and high quality design as important policy objectives. Subsequent LDF documents, including Settlement Area policies will contain specific conservation and design policies, updated to reflect the present day challenges of traditional buildings and townscapes, and reflecting the content of appraisals and management plans.

5.0 ISSUES, POLICIES AND RECOMMENDED ACTIONS

5.1 UNITARY DEVELOPMENT PLAN AND OTHER EXISTING PLANNING POLICY

5.1.1 The vast majority of land within Oxton is classed as 'Primarily Residential', but with commercial businesses operating from the village centre, and there being some green spaces also, e.g. the bowling green. Interim policies, which will be replaced by the emerging Core Strategy, currently restrict the potential for new dwellings for sale on the open market, although there is no specific impediment to the creation of new "affordable" housing. Applications for planning permission would be assessed for compliance with the policies set out in the Council's UDP and in particular policies CH01, CH1, CH2 and CH7 as set out in Section 11, as well as Supplementary Guidance Notes, e.g. SPG21, and alongside any general strategic policies in the emerging Core Strategy.

5.1.2 The emerging Core Strategy proposes to formally designate the village centre as a Local Centre for neighbourhood level shops and services to serve everyday needs.

DESIGNATION OF LAND WITHIN THE LDF

| Issue | Location |
|--|-----------------|
| The future re-designation of land within or around the conservation area in the Local Development Framework may be detrimental to its character or setting. | Throughout |
| Policy | |
| The future re-designation of land within or around the conservation area in the Local Development Framework should be considered in terms the effects on of its special character and setting. | |
| Action | Priority |
| Consider special character of area and its appropriate management, undertake appropriate consultation and develop specific conservation policies before any proposed changes are realised. | Mid-long-term |

| APPLICATION AND INTERPRETATION OF EXISTING AND FUTURE POLICY | |
|---|-----------------|
| Issue | Location |
| Policies CH01, CH1, CH2 and CH7, together with the guidance in PPS5, may not always be rigorously applied during the planning process, resulting in development or changes to buildings which are detrimental to the character of the conservation area. | Throughout |
| Policy recommendation | |
| Ensure that all new development within the conservation area complies with policies CH01, CH1, CH2 and CH7, SPG 21 (including prospective LDF policies), together with the relevant sections of PPS5 and other government guidance. | |
| Action | Priority |
| Rigorous inspection of planning, conservation area and listed building consent applications. Improve allocated resources and knowledge of planning, heritage and conservation staff to ensure that proper consideration is given to these issues in applications. | Immediate |

5.2 NEW DEVELOPMENT AND ALTERATION TO EXISTING BUILDINGS AND SITES

- 5.2.1 In the event of new development being allowed under the criteria set out above, the following recommendations are made regarding the quality and character of new development, scale, materials, and effect on views:

QUALITY OF NEW BUILDINGS

| Issue | Location |
|--|-----------------|
| Any potential buildings constructed within the conservation area may not be of an equal quality and do not have the design attributes of the historic buildings that characterise the area, therefore cannot be shown to be preserving or enhancing its character. | Throughout |
| Policy recommendations | |
| In any new development within the Oxton Conservation Area, there should be a presumption in favour of using traditional materials such as red or London buff brick, natural buff sandstone, lime stucco render, timber joinery, slate and cast iron / lead / zinc for rainwater goods. | |
| Any new buildings should match the quality of materials and level of architectural design of the original buildings. | |
| The use of contrasting modern materials of the highest quality may be appropriate if it can be satisfactorily demonstrated that they do not have an adverse effect on the setting of neighbouring existing buildings. | |
| The use of imitation materials such as poor quality reconstituted stone or artificial slate should not be permitted. | |
| Action | Priority |
| Use more stringent design criteria in determining future planning applications and require that all applications are accompanied by relevant design details including materials, sections and schedules of work / method statements. | Immediate |

| SCALE, MASSING, POSITION OR PROPORTIONS OF NEW BUILDINGS | |
|--|-----------------|
| Issue | Location |
| New buildings may detract from existing buildings in terms of their scale, massing, position or proportions.\ | Throughout |
| Policy recommendations | |
| New buildings generally should be no higher than existing buildings comparable within their immediate vicinity in terms of both their eaves and ridge heights. | |
| New buildings should respect the footprint sizes of existing neighbouring buildings and their relationships with each other (spacing), the road and their site boundaries. | |
| New buildings should match the floor-to-ceiling heights and general proportions of existing neighbouring historic buildings. | |

| Action | Priority |
|--|-----------|
| Promote an understanding of the special qualities of the conservation area. Use more stringent design criteria in determining future planning applications and require that all applications are accompanied by relevant design details. | Immediate |
| | |

| EFFECT OF DEVELOPMENT ON KEY VIEWS | |
|--|------------|
| Issue | Location |
| New development or extensions to existing buildings may adversely affect key views within, or the setting of, the conservation area. | Throughout |
| Policy recommendation | |
| Applications for planning permission for new development or significant extensions to existing buildings within the conservation area must demonstrate, where appropriate, that key views or the setting of the conservation area are not adversely affected, by incorporating contextual street elevations and CAD projections. | |
| Action | Priority |
| Take into account the impact of any proposed new building on the key views, for example those identified in the Character Appraisal, when determining planning applications | Immediate |

5.2.2 SPG 16 “Landscaping and New Development” and SPG 17 “Trees and Development” set out guidance on landscaping throughout Wirral. The following are matters which have been identified as particular issues in the Oxton Village Conservation Area:

| LANDSCAPING ASSOCIATED WITH NEW OR EXISTING BUILDINGS | |
|--|------------|
| Issue | Location |
| Oxton has a rich and well appreciated arboriculture and mature gardens – its contribution needs to be acknowledged in any development scheme. Poor or inappropriate landscaping around new buildings or extensions to existing buildings can detract from the character of the area. | Throughout |
| Policy recommendations | |
| A detailed landscaping scheme should be submitted with any planning application for new buildings or significant alteration to existing sites. | |

| | |
|---|------------------|
| <p>The magnitude of necessary car parking should be considered alongside the level of occupation of any proposed building. Schemes for buildings that require an extent of car parking / number of cars that will detract from the character of the conservation area should be rejected.</p> | |
| <p>New buildings should preserve existing areas of mature trees and other landscaping. Where any trees are removed, they should be replaced with semi-mature trees of the same or more appropriate species (e.g. native).</p> | |
| Action | Priority |
| <p>Use more stringent landscape and urban design criteria in determining future planning applications and require that all applications for substantial new built development are accompanied by full landscaping schemes.</p> | <p>Immediate</p> |

| PROTECTION, RETENTION AND PROVISION OF HEDGES AND TREES | |
|---|-------------------|
| Issue | Location |
| <p>To maintain and enhance the character of the area attention needs to be paid to the retention of trees and boundary hedges.</p> | <p>Throughout</p> |
| Policy recommendations | |
| <p>Trees which contribute to the character of the conservation area should be retained and if needing to be removed for reasons of health, replaced by trees of appropriate species and maturity.</p> | |
| <p>Planting of further trees and hedges of native species should be promoted, particularly in areas devoid of such trees and hedges. The Oxton Society's Tree Group has been a valued partner in preserving the diverse arboricultural interest of Oxton, and the tradition of close co-operation between this group and the local authority should be further fostered.</p> | |
| Action | Priority |
| <p>Promote an understanding of the special qualities of hedges and trees within the conservation area. Use more stringent design criteria in determining future planning applications and require that all applications are accompanied by clear proposals for the treatment of trees and hedges and any replacement planting. Encourage the use of Tree Preservation Orders and review existing TPOs to ensure that they are still relevant and consider whether new TPOs are needed to protect significant elements of the area's mature landscaping.</p> | <p>Immediate</p> |

5.2.3 Extensions to dwellings are covered by Policy HS 11 in the UDP in terms of house extensions. The policy covers matters relating to scale, materials, design details, dormers, set backs of extensions and retention of amenity space. The following are additional matters which have been identified as particular issues in the Oxton Village Conservation Area:

| EXTENSIONS TO BUILDINGS | |
|---|-----------------|
| Issue | Location |
| Extensions to buildings within the conservation area may detract from the significance of the individual building or the setting of adjoining buildings. | Throughout |
| Policy Recommendations | |
| Extensions to those buildings that have been shown to contribute to the conservation area should only be permitted where it can be satisfactorily demonstrated that the additional structure has no adverse impact on the principal elevations of the parent structure. Extensions should be subservient to the parent building | |
| The choice of the materials of the extension should be considered so as to provide the minimum visual distraction from the original structure. Generally, it should be assumed that materials should match in terms of colour and texture. Traditional and/or natural materials such as sandstone, brick, timber, lead / zinc / iron, terracotta on and slate should be used unless an alternative can be adequately justified in terms of its visual effect on the conservation area. Where buildings are extended using traditional forms and materials, the subtle dating of the new element should be encouraged. | |
| Where a building has existing detrimental features, the opportunity should be taken to secure improvements as part of the new building work. | |
| There should be a strong presumption against extensions that adversely affect the balance of pairs or groups of buildings that have symmetry and visual balance as one of their original predominant design characteristics. | |
| Dormers, if acceptable, should be confined to rear elevations, situated below the ridge and of a scale and design appropriate to the building on which they are mounted. | |
| Action | Priority |
| Use more stringent design criteria in determining future planning applications taking into account the approach outlined above. | Immediate |

5.2.4 In carrying out conversions or alterations to the fabric of buildings and boundaries the following good conservation practice should be applied:

| ALTERATION TO THE FABRIC OF HISTORIC BUILDINGS | |
|--|-------------------------------|
| Issue | Location |
| Alterations to the historic fabric of a building can lead to the loss of some of its visual history and aesthetic value and can be detrimental to the visual setting of the area as a whole. | All higher category buildings |
| Policy recommendations | |
| Where alterations can be justified to be necessary for the continued use of the building they should be prioritised towards the less significant areas of the building. | |
| Alterations should be chosen that require the least possible degree of permanent loss of or change to historic fabric. For instance, secondary glazing should be installed in preference to the wholesale replacement of existing windows. | |
| Where replacement of existing original or early fabric is proven necessary it should always be done on a like-for-like basis where possible, not exchanging materials for modern alternatives. | |
| Existing original or early features should be retained if at all possible. Where their replacement is necessary, it should be on a like-for-like basis in terms of materials and design. Any changes to primary features such as historic windows, doors, chimneys should be avoided if at all possible. | |
| Action | Priority |
| Use more stringent design criteria in determining future planning applications and require that all applications are accompanied by relevant design details. Prepare guidance leaflets for local residents. Consider the introduction of an Article 4 Direction to remove permitted development rights on undesignated buildings as and when resources permit. To work with the Oxton Society to create a register of significant historic buildings, and their valuable features, to assist with their ongoing preservation and enhancement. Take enforcement action where appropriate. | Immediate |

| INSTALLATION OF NEW FIXTURES | |
|---|-----------------|
| Issue | Location |
| Particular care should be taken in the use and location of microgeneration equipment to minimise intrusion on the | All buildings |

| | |
|---|-----------------|
| building or its setting. | |
| Policy recommendation | |
| The installation of rooflights and solar panels into existing roof slopes should not generally be permitted unless it can be demonstrated that they are not visible from public areas or adversely affect the setting of other buildings. Any rooflights installed should be of a 'conservation' type and fixed flush with the roof covering. | |
| Building owners should be strongly encouraged to only install satellite dishes and aerials in positions not visible from public areas or adversely affect the setting of other buildings | |
| Building owners should be strongly encouraged not to install ventilators and other fixtures onto roof slopes or prominent elevations. Where they are absolutely necessary their visual impact should be minimised in terms of their location, number, size and design. | |
| Whilst microgeneration of energy is to be encouraged in terms of conservation principles, the impact on buildings and their settings within the conservation area should be minimised by careful positioning on building elements and locations not visible from public areas. | |
| Action | Priority |
| Use more stringent design criteria in determining future planning applications and require that all applications are accompanied by relevant design details. Take enforcement action where appropriate. The relevant planning policies should be rigorously applied. | Short term |

| | |
|--|-----------------|
| LOSS OR ALTERATION TO BOUNDARY WALLS | |
| Issue | Location |
| The loss of or alteration to boundary walls, traditional gates and gateposts could affect a significant feature of the character of the conservation area may and detract from its integrity. | Throughout |
| Policy recommendation | |
| All existing historic boundary walls and gateposts should be retained. Alteration as part of any planning permission should only be permitted in exceptional circumstances and when fully justified and mitigated. Should be a strong presumption in favour of resisting the loss of traditional boundary walls and vegetation in order to create accesses or forecourt parking. | |
| Action | Priority |

| | |
|---|-----------|
| Consider the introduction of an Article 4 Direction, as and when resources permit, to selectively remove permitted development (pd) rights on works to sandstone walls. Continue to work with the Oxton Society to create a register of the location and condition of all historic walls and gate posts to assist in their ongoing preservation and enhancement. Take enforcement action where the majority of a wall has removed unlawfully in excess of that allowed under pd rights. | Immediate |
|---|-----------|

| CHANGES OF USE | |
|---|-----------------|
| Issue | Location |
| Changes of use of an existing building (subject to existing policy) can result in a number of incremental changes which result in an adverse effect on the conservation area. | All buildings |
| Policy recommendation | |
| In considering applications for change of use, the council will require information on the design of refuse storage, waste pipes, ventilation fixtures, satellite dishes and aerials, any other fixtures, servicing, signage and car parking. | |
| Action | Priority |
| Promote an understanding of the special qualities of the conservation area. Use more stringent design criteria in determining future planning applications and require that all applications are accompanied by relevant design details. | Immediate |

5.3 GENERAL GUIDANCE AND IMPROVEMENTS

5.3.1 The following are recommendations relating to building condition, management of the public realm, highway matters, and involvement of local groups in securing improvements to the Conservation Area. They have major implications in terms of staff resource and finance but are set out as an agenda for future action.

| CONDITION / MAINTENANCE OF EXISTING PUBLIC REALM AREAS | |
|---|-----------------|
| Issue | Location |
| The existing public realm areas may be insufficiently maintained or specified and act as a poor example to conservation area residents. | Throughout |

| Policy recommendation | |
|---|-----------------|
| The existing public realm areas should be maintained and where necessary replanted / resurfaced to a standard that befits the conservation area and enhances the setting of the existing buildings. | |
| Action | Priority |
| Regularly monitor condition of public realm areas, identify improvements and agree action with other Council departments and statutory undertakers. | Short-term |

| DETRIMENTAL CHANGES TO LISTED BUILDINGS | |
|--|------------------|
| Issue | Location |
| There have in the past been a number of detrimental changes to listed buildings, such as insertion of replacement windows and changes to chimneys, boundary walls and roof coverings. These are not only detrimental to the appearance of the individual buildings and their immediate setting, but they are also setting a poor precedent to other building owners. | Listed buildings |
| Policy recommendation | |
| Owners of listed buildings should be notified of unauthorised changes to their buildings. Where evidence is available, (e.g. in the form of dated photographs) enforcement should be taken to ensure the reinstatement of the original fabric unless retrospective consent can be given. | |

| CONDITION OF INDIVIDUAL SITES AND BUILDINGS | |
|--|-----------------|
| Issue | Location |
| The condition of an individual site or building can be detrimental to the appearance of the area and may set a poor example to other owners. | Throughout |
| Policy recommendation | |
| The local authority should serve section 215 notices on owners of buildings or land whose condition adversely affects the amenity of the area, requiring them to remedy the detriments or face the necessary costs for the local authority to do so. | |
| Under section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990, Urgent Works Notices should be used to secure emergency or immediate repairs on any unoccupied building (or part of a building) within a Conservation Area where it adversely affects the character of the area. Where the building is unlisted a direction from the Secretary of State will be required. | |
| Use Empty Property Legislation to secure the proper security, stability and | |

| | |
|--|-----------------|
| <p>eventual constructive reuse of problem buildings and sites.</p> <p>Continue to issue guidance leaflets to all residents and businesses within the conservation area explaining the benefits of good, regular maintenance and appropriate repair techniques.</p> | |
| Action | Priority |
| <p>Regularly visit the conservation area, noting any sites or buildings in a poor condition. Serve relevant notices where appropriate.</p> | <p>Ongoing.</p> |

| HIGHWAYS - SURFACES, MARKINGS AND SIGNAGE | |
|--|----------------------------|
| Issue | Location |
| <p>Highway markings and signage can be visually intrusive and detrimental to its character and appearance. Highway features, such as speed control measures may be visually obtrusive and of an inappropriate design / materials. Unmade roads should be treated sympathetically, with minor resurfacing carried out in natural materials such as brick pavements, gravel and stone set in bitumen. In the past, cast iron street and other traditional signage has not always been faithfully reinstated or repaired after failure, removal or maintenance.</p> | <p>Roads and pavements</p> |
| Policy recommendations | |
| <p>Reconsider all existing signage, highways features and markings and make necessary improvements to enhance the character of the area, whilst maintaining / enhancing the safety of all village users.</p> | |
| <p>Encourage the retention, repair and the increased use of traditional paving, such as cobbles and York stone flags, within the designated area, especially where these could contribute to speed control measures on secondary and tertiary routes.</p> | |
| <p>Ensure that all cast iron and other traditional signs are reinstated faithfully in a cast metal replica, as and when they are removed for whatever reason.</p> | |
| <p>Ensure that all future highways features, such as speed control measures, railings etc are proven to be necessary and are of an appropriate design and constructed of appropriate materials.</p> | |
| Action | Priority |
| <p>Undertake an assessment of existing signage, highways features and markings in terms of their impact on the character of the area. Obtain advice on appropriate</p> | <p>Mid-term</p> |

| | |
|--|--|
| alternatives (e.g. narrower lines etc). Pursue statutory undertakers who abuse footpaths and roads by not faithfully reinstating surfaces like-for-like. Establish protocols for these actions, including consultation with amenity groups about the installation of replacement replica street signs. | |
|--|--|

| TRAFFIC | |
|---|-----------------|
| Issue | Location |
| The level and type of traffic through the village is at times detrimental to the village’s character and can be in conflict with the free movement of pedestrians, cyclists and disabled users. There is an increasing pressure on parking spaces often resulting in anti-social or problematic parking in the village centre and its immediate environs. | Roads |
| Policy | |
| There is an aspiration for a Traffic Management and Parking Plan that would protect and enhance the historic character of Oxton Village, improve circulation, reduce conflict between pedestrians, cyclists and vehicles and reduce existing problems with parking. | |
| Action | Priority |
| Draw up a traffic management and parking plan in consultation with local societies, residents and businesses. Should be part of a Public Realm Strategy. Identify opportunities for short-term, minor and inexpensive improvements to traffic circulation and parking; implement as and when resources permit. | Ongoing |

| ARCHAEOLOGY | |
|--|-----------------|
| Issue | Location |
| The character of Oxton village is that of an area that contains buildings from many periods, with much modern development in between more historical buildings. However, some buildings and sites may extend further back into the past and incorporate earlier structures. Other pre-industrial remains may lie under and within the curtilage of more modern structures. | - |
| Policy recommendations | |
| Promote the understanding and appreciation of archaeology from all periods | |

| amongst the community and in terms of conservation planning within the local authority. | |
|---|-----------|
| Ensure that qualified conservation staff are consulted on all development and demolition applications within and adjacent to the conservation area, especially where archaeological potential is highlighted in the record. | |
| Action | Priority |
| Maintain a fully functional and accessible Historic Environment Record for Wirral / the region, with dedicated, qualified staff, as a repository of all archaeological records within the Borough. Secure the provision of professional archaeological advice. Ensure good communication between all parties. | Immediate |

| SHOP FRONTAGES | |
|--|-----------|
| Issue | Location |
| The central area of Oxton village contains the area's principal retail activity, with a range of smaller shops that cater for local needs. Several of these shops still retain their traditional appearance and joinery / fenestration, but are vulnerable to unsympathetic alteration, the installation of inappropriate signage and roller shutters. Metal shutters have not only an adverse visual effect – they can create a threatening and unwelcoming ambience throughout the local area if they are allowed to proliferate. Where security concerns exist, these can be better tackled through the use of thicker glass and interior lattice or timber shutters. | - |
| Policy recommendations | |
| Promote the understanding and appreciation of traditional shopfronts, ensure that the Council's shopfronts policy SPG 43 is rigorously applied. | |
| Ensure that qualified conservation staff are consulted on all applications relating to shopfront alterations and retail units within and adjacent to the conservation area. | |
| Action | Priority |
| Enforce against breaches of planning control where the installation of exterior roller shutters and other unauthorised alterations adversely affect the appearance of shops and their immediate environment. Promote more suitable means of securing shops against damage without recourse to roller shutters. | |
| Promote the use and appreciation of Shopfront Design Guidance, and develop a new policy on Shop frontages for | Immediate |

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| the forthcoming LDF . | |
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| PUBLIC AWARENESS AND CONTRIBUTION | |
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| Issue | Location |
| Residents are sometimes unaware of the purpose of a conservation area, the benefits designation may have for them and how they may influence the future of conservation in their area. The skills and expertise of local residents groups, individuals or stakeholders may be underutilised. The Oxton Society has contributed in great measure to the production of both the Appraisal and the Management Plan. | Throughout |
| Policy recommendations | |
| Make conservation area information readily available to residents, using the internet and other displays to publicise conservation projects. | |
| Encourage dialogue between local residents groups and major landowners to promote enhancement and appropriate maintenance works within the conservation area. | |
| Action | Priority |
| Continue to promote an understanding of the special qualities of the conservation area by issuing guidance leaflets for residents and businesses. To work in partnership with the Oxton Society and other amenity groups to promote the special character of Oxton and its appropriate conservation in the longer term. | Immediate |

6.0 Article 4 Directions

6.2.1 The Town and Country Planning (General Permitted Development) Order 2008 allows building owners to carry out a range of minor developments without planning consent subject to limits and conditions. These ‘permitted development’ rights are automatically limited within conservation areas: restrictions include the addition of dormer windows, various types of cladding, the erection of satellite dishes fronting a highway and the reduction in the size of extensions.

6.2.2 Article 4 of the General Permitted Development Order enables local authorities to withdraw some specified permitted development rights on buildings or land, such as removal of a chimney, changes around the front boundary of a building, construction of porches, painting of houses or removal of architectural features such as windows and doors. Local authorities should notify local people and take account of their opinions before confirming an Article 4 direction. Approval from the Secretary of State is no longer a requirement for an Article 4 (1) direction.

6.2.3 Article 4 directions are not just an automatic consequence of conservation area designation, but should be borne out of a careful assessment of what is of special interest within an area that should be preserved. Permitted development rights should only be withdrawn where there is evidence to prove that such works would damage the character of a conservation area and are of current concern.

6.2.4 In the case of Oxton, the following items have been identified within the Conservation Area Appraisal part of this document as being important to the character of the area and therefore it should be considered whether it is practicable to place a direction across a selection of category A and B buildings (within a designated pilot area) to protect them from loss or change without consent for the following elements:

- Windows
- Doors
- Roof coverings
- Removal / application of stucco render to walls
- Solar Panels & microgeneration equipment
- Loss of chimneys
- The creation of new, or the blocking up, of old openings over a certain size in house walls.
- Alterations to, or partial demolition of, property boundaries fronting onto a highway.

Similarly, it would be prudent to extend any Article 4 Direction to terraces of housing that exhibit a consistent set of building forms and details, and where any departure from a consistent aesthetic would be detrimental to the overall character, for example sections of Birch Road.

In addition, the appraisal identifies the critical contribution made by historic boundary walls to the character and appearance of the area, in particular those constructed traditionally in sandstone. Further consideration should therefore be given to their inclusion in an Article 4 Direction to protect them from further loss or change without consent.

Practical considerations in relation to operational realities may need to be addressed, since not all sandstone walls enclose character properties of a higher category. Therefore the direction may have to be not only targeted at a set of features but also be sufficiently consistent and straightforward so that residents were able to identify a simple set of procedures to follow.

| ARTICLE 4 DIRECTIONS | |
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| Issue | Location |
| Small scale alterations to buildings in the conservation area | All higher |

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| <p>can lead to a gradual and progressive loss to its character. Article 4 directions can bring such alterations under control as matters requiring planning permission</p> <p>The loss of or alteration to boundary walls and gateposts would adversely affect a significant feature of the character of the conservation area and detract from the architectural integrity of the area as a whole.</p> | <p>category buildings and historic terraces.</p> <p>All historic walls</p> |
| <p>Policy recommendation</p> | |
| <p>Consider whether it is practicable to instate an Article 4 directions in respect of withdrawal of permitted development rights for removing / altering specific building and landscaping elements.</p> | |
| <p>Action</p> | <p>Priority</p> |
| <p>Consider the introduction of Article 4 Direction to remove permitted development rights on in respect of windows and doors / exterior joinery; boundary features and structures; roof coverings and roof features; colour and surface treatment of elevations; microgeneration installations - as and when resources permit. Take enforcement action where appropriate.</p> | <p>Short to mid-term</p> |